ORIGINAL

TriStar Summit

Medical Center

Satellite ED (Mt.

Juliet)

CN1508-031

August 14, 2015

Melanie Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

RE:

CON Application Submittal

In Wellbom

TriStar Summit Medical Center Emergency Department at Mount Juliet

Wilson County

Dear Mrs. Hill:

This letter transmits an original and two copies of the subject application. The affidavit and filing fee are enclosed.

I am the contact person for this project. Jerry Taylor is legal counsel. Please advise me of any additional information you may need. We look forward to working with the Agency on this project.

Respectfully,

John Wellborn

TRISTAR SUMMIT MEDICAL CENTER SATELLITE EMERGENCY DEPARTMENT

CERTIFICATE OF NEED APPLICATION TO ESTABLISH A SATELLITE EMERGENCY DEPARTMENT IN WILSON COUNTY

Submitted August 2015

PART A

1. Name of Facility, Agency, or Institution

| TriStar Summit Medica | al Center Emergency Dep | artment at Moun | t Juliet |
|-----------------------|-------------------------|-----------------|----------|
| Name | | | |
| 4910 Beckwith Road | (Horizon Concrete) | | Wilson |
| Street or Route | | | County |
| Mt. Juliet | | TN | 37122 |
| City | | State | Zip Code |

2. Contact Person Available for Responses to Questions

| John Wellborn | | Сс | onsultant |
|--------------------------------|-------------------|-------|--------------|
| Name | | | Title |
| Development Support Group | jwdsg@comcast.net | | |
| Company Name | | E-N | 1ail Address |
| 4219 Hillsboro Road, Suite 210 | Nashville | TN | 37215 |
| Street or Route | City | State | Zip Code |
| CON Consultant | 615-665-20 |)22 | 615-665-2042 |
| Association With Owner | Phone Nun | nber | Fax Number |

3. Owner of the Facility, Agency, or Institution

| HCA Health Services of Tennessee, Inc. | | 615-316-3000 |
|--|--------------|--------------|
| Name | | Phone Number |
| c/o TriStar Summit Medical Center Adm | ninistration | |
| 5655 Frist Boulevard | | Davidson |
| Street or Route | | County |
| Hermitage | TN | 37211 |
| City | State | Zip Code |

4. Type of Ownership or Control (Check One)

| | | F. Government (State of TN or | |
|---------------------------------|---|-------------------------------|--|
| A. Sole Proprietorship | | Political Subdivision) | |
| B. Partnership | | G. Joint Venture | |
| C. Limited Partnership | | H. Limited Liability Company | |
| D. Corporation (For-Profit) | X | I. Other (Specify): | |
| E. Corporation (Not-for-Profit) | | | |

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS

| 5. Name of Management/Operating Entity (If Applic | cable) | NA |
|---|--------|----|
|---|--------|----|

| Name | | |
|-----------------|-------|----------|
| Street or Route | | County |
| City | State | Zip Code |

6. Legal Interest in the Site of the Institution (Check One)

| A. Ownership | | D. Option to Lease |
|-----------------------|---|---------------------|
| B. Option to Purchase | X | E. Other (Specify): |
| C. Lease of Years | | |

7. Type of Institution (Check as appropriate—more than one may apply)

| A. Hospital (Specify): General | X | I. Nursing Home | |
|---------------------------------------|---|-----------------------------------|---|
| B. Ambulatory Surgical Treatment | | | |
| Center (ASTC) Multi-Specialty | | J. Outpatient Diagnostic Center | |
| C. ASTC, Single Specialty | | K. Recuperation Center | |
| D. Home Health Agency | | L. Rehabilitation Center | |
| E. Hospice | | M. Residential Hospice | |
| F. Mental Health Hospital | | N. Non-Residential Methadone | |
| G. Mental Health Residential Facility | | O. Birthing Center | |
| H. Mental Retardation Institutional | | P. Other Outpatient Facility | |
| Habilitation Facility (ICF/MR) | | (Specify): Satellite Emergency Rm | X |
| | | Q. Other (Specify): | |

8. Purpose of Review (Check as appropriate—more than one may apply

| | | G. Change in Bed Complement | |
|--------------------------------------|---|--------------------------------------|--|
| | | Please underline the type of Change: | |
| | | Increase, Decrease, Designation, | |
| A. New Institution | | Distribution, Conversion, Relocation | |
| B. Replacement/Existing Facility | | H. Change of Location | |
| C. Modification/Existing Facility | | I. Other (Specify): | |
| D. Initiation of Health Care Service | | | |
| as defined in TCA Sec 68-11-1607(4) | | | |
| (Specify) ER service at new location | X | | |
| E. Discontinuance of OB Service | | | |
| F. Acquisition of Equipment | | | |

9. Bed Complement Data

(Please indicate current and proposed distribution and certification of facility beds.)

| | | CON | | | | |
|----------------------------|----------|----------|---------|----------|------------|--|
| | | approved | | | | |
| | Current | beds | | Beds | TOTAL | |
| | Licensed | (not in | Staffed | Proposed | Beds at | |
| | Beds | service) | Beds | (Change) | Completion | |
| A. Medical | 126 | +2 | 126 | NC | 126 | |
| B. Surgical | | | | | | |
| C. Long Term Care Hosp. | | | | | | |
| D. Obstetrical | 24 | -6 | 22 | NC | 24 | |
| E. ICU/CCU | 24 | | 24 | NC | 24 | |
| F. Neonatal | 10 | | 10 | NC | 10 | |
| G. Pediatric | | | | | | |
| H. Adult Psychiatric | | | | | | |
| I. Geriatric Psychiatric | | | | | | |
| J. Child/Adolesc. Psych. | | | | | | |
| K. Rehabilitation | 12 | +8 | 12 | NC | 12 | |
| L. Nursing Facility | | | | | | |
| (non-Medicaid certified) | | | | | | |
| M. Nursing Facility Lev. 1 | | | | | | |
| (Medicaid only) | | | | | | |
| N. Nursing Facility Lev. 2 | | | | | | |
| (Medicare only) | 77 | | | | | |
| O Nursing Facility Lev. 2 | | | | | | |
| (dually certified for | | | | | | |
| Medicare & Medicaid) | | | | | | |
| P. ICF/MR | | | | | | |
| Q. Adult Chemical | | | | | | |
| Dependency | | | | | | |
| R. Child/Adolescent | | | | | | |
| Chemical Dependency | | | | | | |
| S. Swing Beds | | | | | | |
| T. Mental Health | | | | | | |
| Residential Treatment | | | | - | | |
| U. Residential Hospice | | | 40. | 1 | 407 | |
| TOTAL | 196 | +4 | 194 | NC | 196 | |

| 10. Medicare Provide | r Number: | 440150 | |
|-----------------------|-----------|-----------------------------|--|
| Certificat | ion Type: | General Acute Care Hospital | |
| 11. Medicaid Provider | Number: | 44-0205 | |
| Certificati | on Type: | General Acute Care Hospital | |

12. & 13. See page 4

A.12. IF THIS IS A NEW FACILITY, WILL CERTIFICATION BE SOUGHT FOR MEDICARE AND/OR MEDICAID?

The facility will be operated as a department of TriStar Summit Medical Center.

That hospital is already certified for both Medicare and Medicaid.

A.13. IDENTIFY ALL TENNCARE MANAGED CARE ORGANIZATIONS / BEHAVIORAL HEALTH ORGANIZATIONS (MCO'S/BHO'S) OPERATING IN THE PROPOSED SERVICE AREA. WILL THIS PROJECT INVOLVE THE TREATMENT OF TENNCARE PARTICIPANTS? Yes

IF THE RESPONSE TO THIS ITEM IS YES, PLEASE IDENTIFY ALL MCO'S WITH WHICH THE APPLICANT HAS CONTRACTED OR PLANS TO CONTRACT.

DISCUSS ANY OUT-OF-NETWORK RELATIONSHIPS IN PLACE WITH MCO'S/BHO'S IN THE AREA.

| Available TennCare MCO's | Applicant's Relationship |
|---|--------------------------|
| AmeriGroup or BlueCare | contracted |
| United Healthcare Community Plan (formerly AmeriChoice) | contracted |
| TennCare Select | contracted |

There are three Statewide TennCare MCO's. The applicant is contracted with all three, through master contracts between those MCO's and TriStar Health System, the applicant's Division office.

SECTION B: PROJECT DESCRIPTION

B.I. PROVIDE A BRIEF EXECUTIVE SUMMARY OF THE PROJECT NOT TO EXCEED TWO PAGES. TOPICS TO BE INCLUDED IN THE EXECUTIVE SUMMARY ARE A BRIEF DESCRIPTION OF PROPOSED SERVICES AND EQUIPMENT, OWNERSHIP STRUCTURE, SERVICE AREA, NEED, EXISTING RESOURCES, PROJECT COST, FUNDING, FINANCIAL FEASIBILITY AND STAFFING.

Proposed Services and Equipment

- TriStar Summit Medical Center is an HCA general acute care hospital serving eastern Davidson County and western Wilson County. Its Emergency Department (ED) is highly utilized, its visits are increasing, and it needs to add treatment room capacity. Many of its ED patients come from western Wilson County in the vicinity of Mount Juliet, a rapidly growing suburb of Nashville. Mount Juliet is closer to Summit than to the next closest ED, in Lebanon in central Wilson County.
- This project will establish a satellite Emergency Department of TriStar Summit Medical Center, in the Mount Juliet area. It will be located on the south side of I-40 at Beckwith Road, Exit 229. The site is between the communities of Hermitage in eastern Davidson County, and Lebanon in central Wilson County.
- The proposed facility will operate as a Department of TriStar Summit Medical Center. It will be a full-service Emergency Department, operating 24 hours daily. It will be staffed by the same Emergency Physician group that staffs the main hospital ED, and will have the same clinical competencies as the main ED.
- The 8,864 square foot Emergency facility will have eight treatment and exam rooms. The rooms will be fully equipped and supplied to care for adult and pediatric patients. Ancillary services will include CT, X-ray, ultrasound, and laboratory services appropriate for emergency care.
- The applicant belongs to HCA's TriStar Health network. This integrated acute care system includes 7 tertiary and community hospitals in Middle Tennessee (4 of which are located in Davidson County).

Ownership

• The applicant, TriStar Summit Medical Center, is owned by HCA Health Services of Tennessee, Inc., whose ultimate parent company is HCA Holdings, Inc. Attachment A.4 contains more details, an organization chart, and information on the Tennessee facilities owned by this facility's parent organization.

Service Area

• The project's primary service area will be zip codes 37122, 37087, and 37090, which are located almost entirely within western Wilson County, bisected by the I-40 east-west corridor. The project is located in Mount Juliet's zip code, 37122. Summit is the leading provider of ED care to residents of that zip code. And it is the Summit ED's second

largest contributor of ED visits. Residents of the three zip codes of this project's proposed service area together send more ED visits to Summit than does Summit's own home zip code in populous Hermitage, in eastern Davidson County.

Need

• The project is needed for two reasons. <u>First</u>, TriStar Summit Medical Center's ED needs more treatment room capacity. Its utilization has grown rapidly. It is currently highly utilized at 1,900 annual visits per treatment room, and will exceed 2,000 annual visits per room by CY 2017. That exceeds optimal utilization on an annual average basis.

Second, placing the new capacity in a satellite ED near Mount Juliet, in western Wilson County but still within Summit's traditional service area, will improve accessibility to care for service area residents. Most ED visits from the project site's zip code (37122; Mount Juliet) already come to Summit's Hermitage campus. Extending Summit's ED services into a satellite facility in Mount Juliet will shorten those patients' drive times to emergency care.

• Expansion of treatment rooms at Summit's main campus is possible, but it would be very disruptive, and would not improve accessibility to care for Summit's Wilson County patients who live closer to Exit 229 in western Wilson County. Improving accessibility to care is Summit's first priority in adding ED capacity to its service area.

Existing Resources

• The primary service area zip codes are within Wilson County. University Medical Center in Lebanon is the only hospital ED in that county.

Project Cost, Funding, Financial Feasibility, Staffing

• The estimated cost for CON purposes is \$11,106,634. HCA Holdings, Inc., the parent of both the applicant and the company developing the building for lease, will provide all of the funds required, by intercompany cash transfers to TriStar Health, the HCA division office for Middle Tennessee. The Emergency Department will continue to operate with a positive margin, as will TriStar Summit Medical Center. The satellite facility will require approximately 35.5 FTE's.

B.II. PROVIDE A DETAILED NARRATIVE OF THE PROJECT BY ADDRESSING THE FOLLOWING ITEMS AS THEY RELATE TO THE PROPOSAL.

B.II.A. DESCRIBE THE CONSTRUCTION, MODIFICATION AND/OR RENOVATION OF THE FACILITY (EXCLUSIVE OF MAJOR MEDICAL EQUIPMENT COVERED BY T.C.A. 68-11-1601 et seq.) INCLUDING SQUARE FOOTAGE, MAJOR OPERATIONAL AREAS, ROOM CONFIGURATION, ETC.

The Applicant

The applicant, TriStar Summit Medical Center, belongs to HCA's TriStar Health network. TriStar is an operationally integrated acute care system that includes 7 tertiary and community hospitals in Middle Tennessee (four of them in Davidson County). TriStar facilities cooperatively deliver a large percentage of the acute care services needed by Nashville area residents--specialized services such as comprehensive cardiac, cancer, psychiatric, and neonatal intensive care, as well as a full range of community hospital services. The Children's Hospital at TriStar Centennial Medical Center is one of only two children's hospitals in Middle Tennessee. The Sarah Cannon Research Institute at TriStar Centennial Medical Center operates one of the nation's largest programs of clinically-based trials in oncology and cardiology, in addition to providing research support services to oncologists, hematologists, and other physicians working to develop advanced therapies for patients.

In emergency care, TriStar hospitals regionally care for more than a half million Emergency Department (ED) patients annually. TriStar Skyline Medical Center operates one of only two Trauma Centers in Nashville. In CY2013, TriStar's four Davidson County hospitals collectively treated 42.1% of all ED visits in Davidson and Wilson Counties. Their utilization was comparable to the 44% of area ED visits treated in the Vanderbilt (25.7%) and the St. Thomas (18.3%) systems combined.

THA data for CY 2014 are incomplete. CY 2013 THA data indicate that Wilson County residents from the three zip codes for this project made 40,633 ED visits that year. Approximately 28.7% of those utilized TriStar Summit Medical Center; and 31.4% were cared for by all four Davidson County TriStar hospitals.

TriStar and its parent company HCA also have deep expertise in the development and operation of freestanding satellite Emergency Care facilities, with 42 such satellite ED's in operation and 15 under construction nationally. One of these is the TriStar Centennial satellite ED in Spring Hill, Maury County. It was Tennessee's first such facility to receive CON approval.

TriStar Summit Medical Center's caregiver teams and management observe high standards of professional preparation, competence, and care. The hospital and its parent company are heavily committed to identifying and implementing best practices though continuous data-driven evaluation. The hospital has received:

Joint Commission

- a. Full Three-Year Accreditation
- b. Top Performer in Key Quality Measures
- c. Gold Seal of Approval for Total Hip and Knee Replacement Programs

• Other Accreditations and Recognitions

- a. Accredited Chest Pain Center with PCI--Society of Chest Pain Centers
- b. Accreditation with Commendation--Commission on Cancer of the American College of Surgeons
- c. Accredited Breast Center--National Accreditation Program for Breast Centers
- d. Breast Center of Excellence--American College of Radiology
- e. Sleep Center Accreditation--American Academy of Sleep Medicine
- f. "A" Safety Score from the Leapfrog Group

Project Location

The proposed facility is a satellite or freestanding emergency department ("FSED"). It will be located in Western Wilson County, 9.9 miles and 12 minutes' drive time east of the main ED of TriStar Summit Medical Center.

The 2-acre project site is on the south side of I-40 at Exit 229 (Beckwith Road). It is in the southwest quadrant of the intersection of I-40 and Beckwith Road, within sight of both, and within the Mount Juliet city limits. It is unaddressed at this time. The access road to the site runs west off Beckwith Road near a concrete company building at 4910 Beckwith Road. A location map and a floor plan for the FSED are provided on the second and third following pages.

Project Design

The TriStar Summit FSED will be a compact 8,864 SF facility with separate canopied entrances for ambulance and walk-in patients. A central nursing station will be provided. It will have 8 exam/treatment rooms, all of them single-bed, hard-walled rooms for family and patient privacy. Treatment rooms will include an oversized resuscitation room, a secure (psychiatric) exam/holding room, an isolation room, a bariatric patient examination room, and 4 general-purpose treatment rooms.

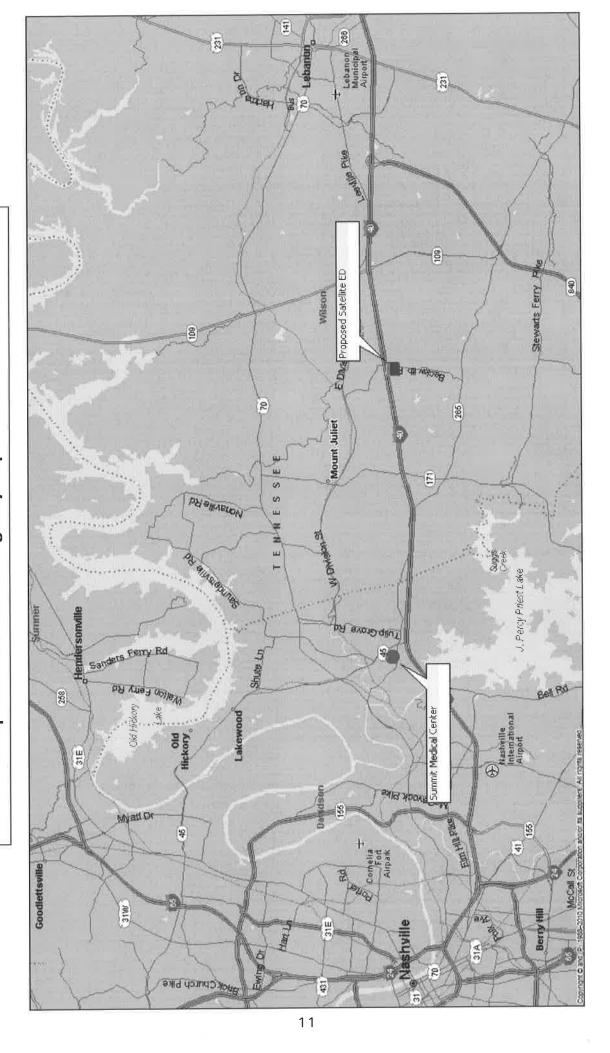
Ancillary areas and services will include CT scanning, general radiology, a laboratory and mobile ultrasound. The FSED will also have appropriate support spaces, such as patient and staff bathrooms, staff offices, and a staff/EMS lounge/break room (EMS are Emergency Medical Services Techs who provide ambulance transport).

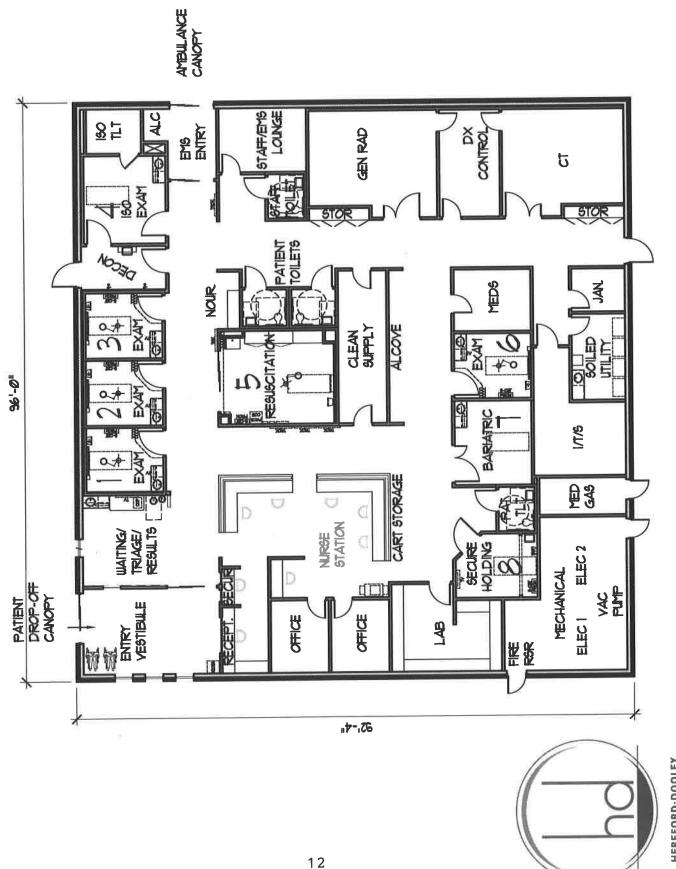
The table on the following page shows the proposed increases in treatment room capacity for Summit's consolidated Emergency Department, after the satellite ED opens. Capacity will increase from 31 to 39 rooms. Total floor space will increase from 13,778 SF to 22,642 SF.

| Table Two: Proposed Changes in Emergency Department (ED) Capacity | | | | | | |
|--|--------------|--------------|-----------------|--|--|--|
| Patient Care Areas Other than Ancillary Services (X-ray, CT, Lab) | Hospital ED* | Satellite ED | Combined EDs | | | |
| Exam/Treatment Rooms | 31 | 8 | 39 | | | |
| Multipurpose | 29 | 4 | 33 | | | |
| Cardiology | 0 | 0 | 0 | | | |
| Gynecological | 0 | 0 | 0 | | | |
| Holding/Secure/Psychiatric | 0 | 1 | 1 | | | |
| Isolation | 1 | 1 | 2 | | | |
| Orthopedic | 0 | 0 | 0 | | | |
| Resuscitation (Oversized) | 1 | 1 | 2 | | | |
| Bariatric | 0 | 1 | 1 | | | |
| Triage Area | 1 | 1 | 2 | | | |
| Decontamination Room or Station | 1 | 1 | 2 | | | |
| GSF of Main and Satellite ED's | 13,778 SF | 8,864 | 22,642 SF | | | |
| Dept. GSF Per Treatment Room | 444.5 SF | 1,108 SF | 580.6 SF | | | |

The facility will have the same clinical competencies as the main campus ED. The satellite will be equipped with a CT scanner, mobile ultrasound, a radiographic room with a C-arm x-ray unit, and mobile X-ray units.

General Orientation map of TriStar Summit Main Campus and **Proposed Satellite Emergency Department Location**





HEREFORD.DOOLEY A R C H I T E C T S

Project Cost and Funding

The estimated cost of the project is \$11,106,634. HCA Holdings, Inc., the parent company of the applicant, will provide all of the funds required, by intercompany cash transfers to TriStar Health, the HCA division office for Middle Tennessee.

Project Implementation, Hours of Service, Level of Care Provided

If granted final CON approval by December of 2015, the satellite ED facility can be opened for service by the end of CY2016. Its first full calendar year of operation will be CY2017. It will provide emergency care 24 hours per day, every day.

The satellite ED will be staffed by the same Emergency Room physician group that staffs the main campus ED. Clinical competencies of these specialists and the nursing and technical staff they direct will be the same at the satellite ED as at the main campus ED.

Ownership of the Project

The proposed facility will operate as a satellite Emergency Department of TriStar Summit Medical Center, which is wholly owned by HCA Health Services of Tennessee, Inc., which is wholly owned by Healthserv Acquisition, LLC, which is wholly owned by Healthtrust, Inc.--The Hospital Company, which is wholly owned by HCA, Inc., which is wholly owned by HCA Holdings, Inc.

APPLICANTS WITH HOSPITAL PROJECTS (CONSTRUCTION COST IN EXCESS OF \$5 MILLION) AND OTHER FACILITY PROJECTS (CONSTRUCTION COST IN EXCESS OF \$2 MILLION) SHOULD COMPLETE THE SQUARE FOOTAGE AND COSTS PER SQUARE FOOTAGE CHART.

UTILIZING THE ATTACHED CHART, APPLICANTS WITH HOSPITAL PROJECTS SHOULD COMPLETE PARTS A-E BY IDENTIFYING, AS APPLICABLE, NURSING UNITS, ANCILLARY AREAS, AND SUPPORT AREAS AFFECTED BY THIS PROJECT. PROVIDE THE LOCATION OF THE UNIT/SERVICE WITHIN THE EXISTING FACILITY ALONG WITH CURRENT SQUARE FOOTAGE, WHERE, IF ANY, THE UNIT/SERVICE WILL RELOCATE TEMPORARILY DURING CONSTRUCTION AND RENOVATION, AND THEN THE LOCATION OF THE UNIT/SERVICE WITH PROPOSED SQUARE FOOTAGE. THE TOTAL COST PER SQUARE FOOT SHOULD PROVIDE A BREAKOUT BETWEEN NEW CONSTRUCTION AND RENOVATION COST PER SQUARE FOOT. OTHER FACILITY PROJECTS NEED ONLY COMPLETE PARTS B-E.

See Attachment B.II.A.

PLEASE ALSO DISCUSS AND JUSTIFY THE COST PER SQUARE FOOT FOR THIS PROJECT.

Hospital construction projects approved by the HSDA during 2010-2013 proposed the following construction costs per SF:

| Table Three-A: | Table Three-A: CON Approved ProjectsHospital Construction Cost PSF Years 2012-2014 | | | | | | |
|--------------------------|---|---------------------|-----------------------|--|--|--|--|
| | Renovated Construction | New Construction | Total Construction | | | | |
| 1 st Quartile | \$110.98/sq ft | \$224.09/sq ft | \$156.78/sq ft | | | | |
| Median | \$192.46/sq ft | \$259.66/sq ft | \$227.88/sq ft | | | | |
| 3 rd Quartile | \$297.82/sq ft | \$296.52/sq ft | \$298.66/sq ft | | | | |

Source: HSDA Registry; CON approved applications for years 2012 through 2014.

This project's new construction cost exceeds the above averages:

| Tab | ole Three-B: This Pro | ject's Construction Co | sts |
|-------------------|-----------------------|------------------------|---------------|
| | Renovation | New Construction | Total Project |
| Square Feet | 0 | 8,864 SF | 8,864 SF |
| Construction Cost | 0 | \$4,210,400 | \$4,210,400 |
| Constr. Cost PSF | 0 | \$475 | \$475 |

However, its construction cost is appropriate for several reasons.

First, the facility is very small; and such small projects usually show a relatively high cost per SF compared to larger projects, because larger projects spread site mobilization and related costs over a larger square footage, when calculating costs PSF.

Second, this project's construction cost will be incurred primarily in CY 2016, which is three years later than the midpoint year of the HSDA Registry cost averages. Increased cost of construction should be expected over a three-year period.

Third, this project's cost estimate is based on current FSED costs in other States where the applicant's development team is building this type of facility.

IF THE PROJECT INVOLVES NONE OF THE ABOVE, DESCRIBE THE DEVELOPMENT OF THE PROPOSAL.

Not applicable.

B.II.B. IDENTIFY THE NUMBER AND TYPE OF BEDS INCREASED, DECREASED, CONVERTED, RELOCATED, DESIGNATED, AND/OR REDISTRIBUTED BY THIS APPLICATION. DESCRIBE THE REASONS FOR CHANGE IN BED ALLOCATIONS AND DESCRIBE THE IMPACT THE BED CHANGE WILL HAVE ON EXISTING SERVICES.

Not applicable. This project has no inpatient beds or inpatient services.

B.II.C. AS THE APPLICANT, DESCRIBE YOUR NEED TO PROVIDE THE FOLLOWING HEALTH CARE SERVICES (IF APPLICABLE TO THIS APPLICATION):

- 1. ADULT PSYCHIATRIC SERVICES
- 2. ALCOHOL AND DRUG TREATMENT ADOLESCENTS >28 DAYS
- 3. BIRTHING CENTER
- 4. BURN UNITS
- 5. CARDIAC CATHETERIZATION SERVICES
- 6. CHILD AND ADOLESCENT PSYCHIATRIC SERVICES.....

Not applicable. The applicant is not proposing to add one of the listed new service. The project is an extension of existing emergency services into the applicant's existing primary service area. It is described in Section B.II.D. below.

B.II.D. DESCRIBE THE NEED TO <u>CHANGE LOCATION</u> OR REPLACE AN EXISTING FACILITY.

The Need for More Emergency Department Capacity

Tristar Summit Medical Center ("Summit" or "the hospital" in this document) has experienced continuous increases in Emergency Department (ED) visits over the past five years. Table Four below provides detailed statistics on historic and projected utilization of its ED. Line A shows the ED patients treated from CY2010 through CY2015 (annualized), and conservatively projects community *demand* for visits to Summit, from CY2016 through CY2021. Line B shows the annual rate of increase in patients presenting from CY2010 through CY2015. Line C shows the compound annual growth rate of Summit's ED visits during those same five years. Lines F and G compare these utilization levels to HCA and industry standards for optimal annual utilization per treatment room.

Overall, Table Four shows that:

- Visits to Summit's ED have increased at an average rate of 4.8% per year for the past five years; and in 2014 and 2015 the growth rates have been even higher-averaging almost 7% a year. Annual visits per treatment room are averaging 1,900 visits per room this year.
- Even with the very conservative assumption of only a 3% annual increase during the next several years, Summit's ED will receive more than 66,000 annual visits four years from now, making its CY 2019 utilization 2,139 annual visits per treatment room. That would be almost 143% of the industry standard of 1,500 annual visits per room. Increasing utilization will impose ever longer patient waiting time for care, once patients arrive at the ED, unless additional treatment rooms and ED staff are added somewhere in the service area.
- The industry planning standard of 1,500 visits per room indicates that 8 more rooms are needed today for the patient visit volumes at TriStar Summit Medical Center.

| | Table Four: TriStar Summit Medical Center Emergency Department Historic and Projected Community Demand for Visits CY2010-CY2021 (Without Additional Treatment Rooms) | e Four: T | riStar Su Demand | for Visit | edical Ce | Four: TriStar Summit Medical Center Emergency Department Imunity Demand for Visits CY2010-CY2021 (Without Addition: | ergency 1 (With | Departm out Addit | ent ional Tre | eatment | Rooms) | | |
|---|--|---|---------------------|---------------------|-----------|---|--------------------|----------------------|------------------|----------------|-----------------------------|----------------|----------------|
| _ | | Compared to Planning Standards for Optimal Utilization ACTUAL | ed to Pla | nning Sta ACTUAI | andards | ror Optil | mai otiik | zation | COMMUN | VITY DEM | COMMUNITY DEMAND PROJECTION | ECTION | |
| | Xear | 2010 | 2011 | 2012 | 2013 | 2014 | Ann'd 2015 | 2016 | Year 1 2017 | Year 2 2018 | Year 3 2019 | Year 4 2020 | Year 5 2021 |
| | | | | | | | | | | | | | |
| < | Historic & Projected Community Demand for Summit MC Emergency Visits | 46,621 | 47,191 | 52,870 | 51,552 | 55,154 | 58,910 | 229'09 | 62,498 | 64,373 | 66,304 | 68,293 | 70,342 |
| | | | | | | | | | | | | | |
| 8 | % Increase Over Prior Year | | 1.2% | 12.0% | -2.5% | 7.0% | %8.9 | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| U | 2010-2015 Increase (CAGR) | | | | | 4.8% | | | | | | | |
| | | | | | | | | | | | | | |
| ۵ | Exam/Treatment Rooms | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 |
| | | | | | | | | | | | | H | |
| ш | Average Visits/Room | 1,504 | 1,522 | 1,705 | 1,663 | 1,779 | 1,900 | 1,957 | 2,016 | 2,077 | 2,139 | 2,203 | 2,269 |
| | | | | | | | | | | | | | The second |
| ш | HCA StandardOptimal Visits/Room | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| | % of Standard Currently | 83.6% | 84.6% | 94.7% | 92.4% | 98.8% | 105.6% | 108.7% | 112.0% | 115.4% | 118.8% | 122.4% | 126.1% |
| | Rooms Needed @ 1,800 Visits/Room | 26 | 76 | 29 | 29 | 31 | 33 | 34 | 35 | 36 | 37 | 38 | 39 |
| | Additional Rooms Needed to Meet Standard | -5 | -5 | -2 | -2 | 0 | 2 | М | 4 | 2 | 9 | 7 | 80 |
| | | | | | | | | | | | | | |
| U | Industry StandardOptimal Visits/Room | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| | % of Standard Currently | 100.3% | 101.5% | 113.7% | 110.9% | 118.6% | 126.7% | 130.5% | 134.4% | 138.4% | 142.6% | 146.9% | 151.3% |
| | Rooms Needed @ 1,500 Visits/Room | 31 | 31 | 35 | 34 | 37 | 39 | 40 | 42 | 43 | 44 | 46 | 47 |
| | Additional Rooms Needed to Meet Standard | 0 | 0 | 4 | 3 | 9 | 8 | 6 | 11 | 12 | 13 | 15 | 16 |

Visits data from hospital records and managment projections. 2015 ED visits to SMC annualized on Jan-July.
 HCA standards from HCA Corporate Design and Construction Staff.
 Industry standards from Emergency Department Benchmarking Alliance.

Orderly Development of ED Resources at TriStar Summit Medical Center

Summit completed an ED expansion four years ago, in a major project approved by the CON Board (CN0808-060). At that time Summit projected a 1.5% annual rate of growth in its ED visits, and a utilization of 49,466 visits in CY2012.

What Summit actually experienced in its high-growth service area was a 2012 utilization of 52,870 visits, exceeding the projection by 6.9%. And the average annual growth rate since 2010 has been three times the rate projected in 2008. In the interests of both community need and orderly development, Summit is now proposing a second incremental expansion of facilities within its established primary service area for ED services.

Options for Locating Additional Treatment Rooms

TriStar Summit Medical Center can either add capacity at its main campus; or add capacity within its current service area to meet area needs at two locations; or do both. This project is the second option. It is the best to pursue first, because it is the most economical way to improve patient access to emergency care both externally and internally. In terms of internal accessibility, any addition of exam/treatment room capacity and staff will help improve access to caregivers once a patient is physically in the ED. But in terms of external accessibility, only a satellite facility in another part of the ED service area will shorten drive times to the ED facility itself. The satellite option provides a double benefit to area patients: more rapid access to an ED, as well as shorter waiting times within the ED).

In Table Four above, the data in Sections F and G projected that between 8 and 16 more exam/treatment rooms will be needed by CY2021, depending on how intensely the hospital utilizes its treatment rooms. To be conservative, the applicant is proposing first to open 8 treatment rooms at the Exit 229 satellite location. After it is operational for a reasonable period of time, the need for further additions of treatment room capacity at the main campus or at a satellite location will be re-evaluated.

The project will provide its benefits to a service area that already uses TriStar Summit Medical Center as one of its two largest providers of emergency care. In CY 2013 (2014 THA data is not complete), 28.7% of Wilson County residents in these zip codes who sought emergency care chose to utilize Summit. These three combined zip codes already generate more of Summit's annual ED visits than even its own home zip code in Hermitage. See Tables Five-A and Five-B below. More detailed utilization tables are provided in the responses to Section C(I)5 below (Area Utilization).

| | Table Five-A: Project's Primary Service Area Utilization of Wilson and Davidson County ED's CY2013 | | | | | | | |
|----------|--|--------------|---------------|--------------------|------------|--|--|--|
| | | Emerge | ncy Departmen | t Visits to All Lo | cations | | | |
| | To Summit To 4 Other | | | | | | | |
| PSA | | ED | HCA ED's in | To UMC ED | To 25+ | | | |
| Zip Code | Name | in Hermitage | Davidson Co. | in Lebanon | Other ED's | | | |
| 37122 | Mt. Juliet | 8,404 | 713 | 1,306 | 3,281 | | | |
| 37087 | Lebanon (N) | 2,386 | 415 | 16,734 | 2,942 | | | |
| 37080 | Lebanon (S) | 858 | 135 | 2,448 | 1,011 | | | |
| Subtotal | PSA | 11,648 | 1,263 | 20,488 | 7,234 | | | |

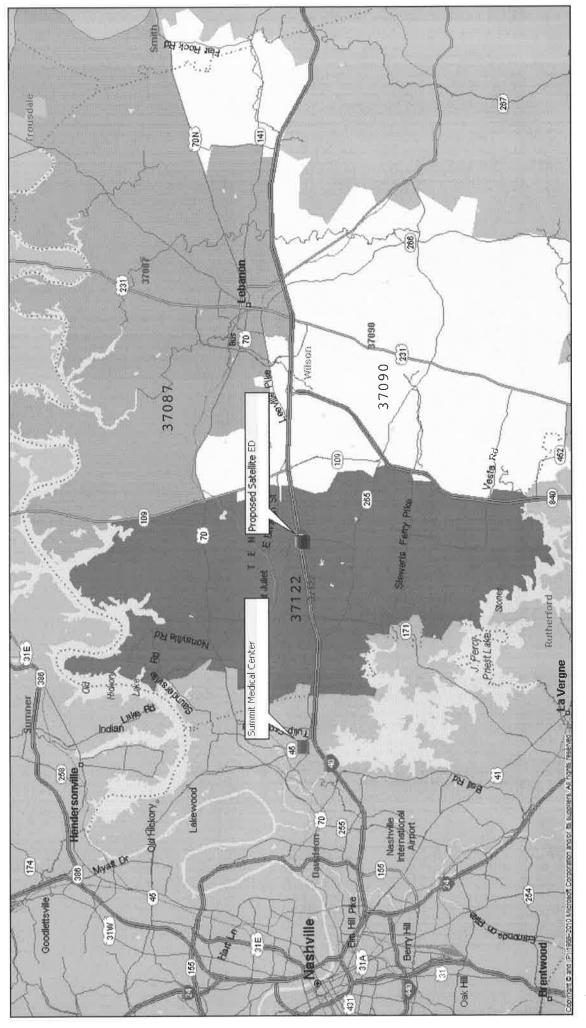
Source: THA Database, 2013.

| Table Five-B: Project's Primary Service Area Utilization of TriStar Summit Medical Center ED YTD 2015 (Jan-March Annualized) | | | | | |
|--|---------------|--|--|--|--|
| Zip Code of ED Patients | Zip Code Name | Percent of Total Summit ED Visits, YTD 2015 | | | |
| Summit Zip Code 37076 | Hermitage | 23.2% | | | |
| Project PSA Zip Codes | | | | | |
| 37122 | Mount Juliet | 16.9% | | | |
| 37087 | Lebanon | 5.3% | | | |
| 37090 | Lebanon | 2.0% | | | |
| Project PSA Subtotal | | 24.2% | | | |

Source: Summit hospital management.

A map of the primary service area zip codes for the project is on the following page. Summit's ED visits from these zip codes are most concentrated in their western sectors and also around the city of Lebanon, where for years Summit has operated satellite outpatient diagnostic services.

Proposed Satellite Emergency Department Service Area



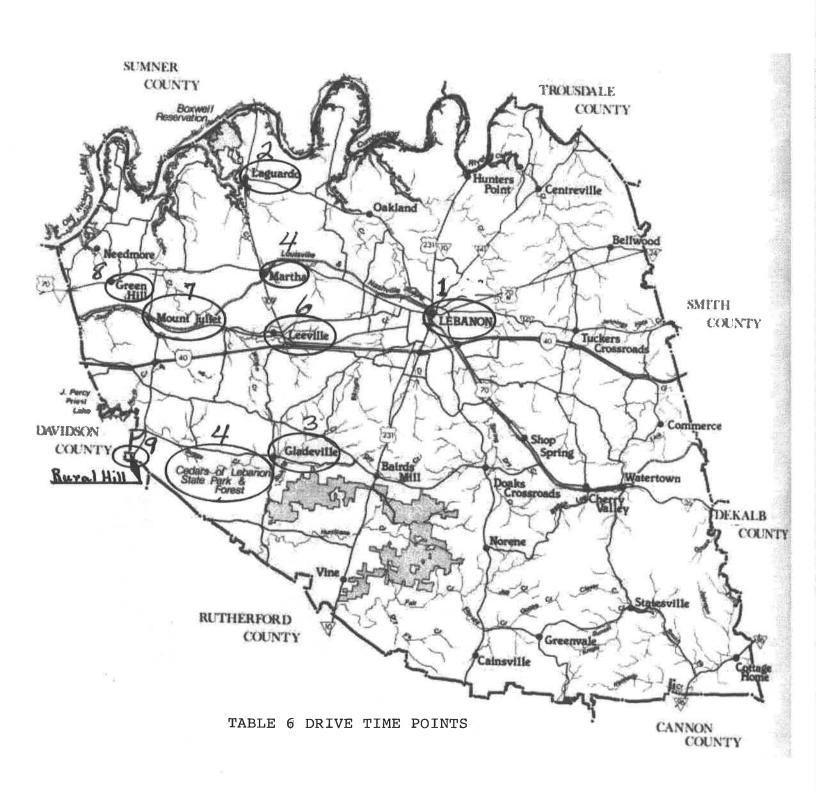
The Proposed Satellite ED Will Be Very Accessible to Its Service Area

The site selected for this satellite ED is very accessible to the central and western parts of Wilson County, represented by parts, or all, of the three zip codes from which most utilization will come. It is close to I-40 and Beckwith Road, where it can provide very accessible service to emergency patients coming from a wide local service area.

Table Six below shows the project's distance from, and drive times to, nine locations distributed within central and western Wilson County and within the three primary service area zip codes. The map key numbers refer to the map on the following page.

| | Table Six: Distances and Drive Times from Project Site To Locations In the Primary Service Area Zip Codes | | | | | | |
|------------|---|--------------------------------------|-------------------|---------------|--|--|--|
| Map Key | Community / Location | Zip Code and Its Post Office Name | Distance in Miles | Drive Time | | | |
| | - | 37087 | | | | | |
| 1 | Lebanon (at US 70 & US 231) | Lebanon | 11.2 mi. | 15 min. | | | |
| | | 37087 | | | | | |
| 2 | LaGuardo | Lebanon | 9.4 mi. | 16 min. | | | |
| | | 37090 | | | | | |
| 3 | Gladeville | Lebanon | 9.4 mi. | 11 min. | | | |
| | | 37090 | | | | | |
| 4 | Cedars of Lebanon State Park | Lebanon | 12 mi. | 15 min. | | | |
| | | 37090 | | | | | |
| 5 | Martha | Lebanon | 6.4 mi. | 9 min. | | | |
| | | 37090 | | | | | |
| 6 | Leeville | Lebanon | 3.4 mi. | 6 min. | | | |
| | | 37122 | | | | | |
| 7 | Mount Juliet City Hall | Mount Juliet | 4.9 mi. | 9 min. | | | |
| | | 37122 | | | | | |
| 8 | Green Hill | Mount Juliet | 10.4 mi. | 19 min. | | | |
| | | 37122 | | | | | |
| 9 | Rural Hill | Mount Juliet | 10.7 mi. | 18 min. | | | |
| | AVERAGE ACCESSIBILITY | | 9 miles | 13 min. | | | |

Source: Google Maps, Aug. 2015; project's closest address is 4910 Beckwith Road, Mount Juliet.



B.II.E. DESCRIBE THE ACQUISITION OF ANY ITEM OF MAJOR MEDICAL EQUIPMENT (AS DEFINED BY THE AGENCY RULES AND THE STATUTE) WHICH EXCEEDS A COST OF \$1.5 MILLION; AND/OR IS A MAGNETIC RESONANCE IMAGING SCANNER (MRI), POSITRON EMISSION TOMOGRAPHY (PET) SCANNER, EXTRACORPOREAL LITHOTRIPTER AND/OR LINEAR ACCELERATOR BY RESPONDING TO THE FOLLOWING:

- 1. For fixed site major medical equipment (not replacing existing equipment):
 - a. Describe the new equipment, including:
 - 1. Total Cost (As defined by Agency Rule);
 - 2. Expected Useful Life;
 - 3. List of clinical applications to be provided; and
 - 4. Documentation of FDA approval.
 - b. Provide current and proposed schedule of operations.
- 2. For mobile major medical equipment:
 - a. List all sites that will be served;
 - b. Provide current and/or proposed schedule of operations;
 - c. Provide the lease or contract cost;
 - d. Provide the fair market value of the equipment; and
 - e. List the owner for the equipment.
- 3. Indicate applicant's legal interest in equipment (e.g., purchase, lease, etc.) In the case of equipment purchase, include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

Not applicable. The project contains no major medical equipment as defined by the CON statute and HSDA rules.

B.III.A. ATTACH A COPY OF THE PLOT PLAN OF THE SITE ON AN 8-1/2" X 11" SHEET OF WHITE PAPER WHICH MUST INCLUDE:

- 1. SIZE OF SITE (IN ACRES);
- 2. LOCATION OF STRUCTURE ON THE SITE;
- 3. LOCATION OF THE PROPOSED CONSTRUCTION; AND
- 4. NAMES OF STREETS, ROADS OR HIGHWAYS THAT CROSS OR BORDER THE SITE.

PLEASE NOTE THAT THE DRAWINGS DO NOT NEED TO BE DRAWN TO SCALE. PLOT PLANS ARE REQUIRED FOR ALL PROJECTS.

See Attachment B.III.A.

B.III.B.1. DESCRIBE THE RELATIONSHIP OF THE SITE TO PUBLIC TRANSPORTATION ROUTES, IF ANY, AND TO ANY HIGHWAY OR MAJOR ROAD DEVELOPMENTS IN THE AREA. DESCRIBE THE ACCESSIBILITY OF THE PROPOSED SITE TO PATIENTS/CLIENTS.

The project service area zip codes are very accessible to the proposed site, as shown in the drive time Table Six above and its associated map. Table Seven below provides distances and drive times from the project site to existing hospitals with emergency rooms, in both Wilson and Davidson Counties.

The project site can be seen on the south side of Interstate 40 at the Beckwith Road exit, just west of Beckwith Road (which is a north-south road at that point, crossing under the interstate). The three zip codes served by the satellite ED are connected with one another and with I-40 and communities like Mount Juliet and Lebanon by a network of good local and State roadways such as Highways 24/70, 171, 265, 109, and I-840.

There is not yet any municipal bus service to the site from Mount Juliet, but routes may be extended to the site within the next few years, as major scheduled business and residential developments close to the site are completed.

| Ta | Table Seven: Distances and Drive Times from Project Site to Hospital | | | | | | |
|-------|--|-------------|-------------|------------|--|--|--|
| | Emergency Departments Wils | on and Davi | dson Counti | es | | | |
| Zip | | | Distance | Drive time | | | |
| Code | Hospital Emergency Departments | County | in miles | in minutes | | | |
| 37087 | University Medical Center | Wilson | 11.0 mi. | 15 min. | | | |
| 37076 | TriStar Summit Medical Center | Davidson | 9.9 mi. | 12 min. | | | |
| 37208 | Metro Nashville General Hospital | Davidson | 22.4 mi. | 26 min. | | | |
| 37236 | St. Thomas Midtown Hospital | Davidson | 26.7 mi. | 23 min. | | | |
| 37205 | Saint Thomas West Hospital | Davidson | 25.4 mi. | 27 min. | | | |
| 37203 | TriStar Centennial Med. Center | Davidson | 22.2 mi. | 26 min. | | | |
| 37207 | TriStar Skyline Medical Center | Davidson | 25.4 mi. | 27 min. | | | |
| 37232 | Vanderbilt Univ. Med.Center | Davidson | 22.1 mi. | 27 min. | | | |

Source: Google Maps, August 2015.

B.IV. ATTACH A FLOOR PLAN DRAWING FOR THE FACILITY WHICH INCLUDES PATIENT CARE ROOMS (NOTING PRIVATE OR SEMI-PRIVATE), ANCILLARY AREAS, EQUIPMENT AREAS, ETC.

See attachment B.IV.

IV. FOR A HOME CARE ORGANIZATION, IDENTIFY

- 1. EXISTING SERVICE AREA (BY COUNTY);
- 2. PROPOSED SERVICE AREA (BY COUNTY);
- 3. A PARENT OR PRIMARY SERVICE PROVIDER;
- 4. EXISTING BRANCHES AND/OR SUB-UNITS; AND
- 5. PROPOSED BRANCHES AND/OR SUBUNITS.

Not applicable. The application is not for a home care organization.

C(I) NEED

- C(I).1. DESCRIBE THE RELATIONSHIP OF THIS PROPOSAL TO THE IMPLEMENTATION OF THE STATE HEALTH PLAN AND TENNESSEE'S HEALTH: GUIDELINES FOR GROWTH.
- A. PLEASE PROVIDE A RESPONSE TO EACH CRITERION AND STANDARD IN CON CATEGORIES THAT ARE APPLICABLE TO THE PROPOSED PROJECT. DO NOT PROVIDE RESPONSES TO GENERAL CRITERIA AND STANDARDS (PAGES 6-9) HERE.
- B. APPLICATIONS THAT INCLUDE A CHANGE OF SITE FOR A HEALTH CARE INSTITUTION, PROVIDE A RESPONSE TO GENERAL CRITERION AND STANDARDS (4)(a-c).

Project-Specific Review Criteria: Construction, Renovation, Expansion, and Replacement of Health Care Institutions

1. Any project that includes the addition of beds, services, or medical equipment will be reviewed under the standards for those specific activities.

Not applicable; such changes are not proposed in this project.

- 2. For relocation or replacement of an existing licensed healthcare institution:
- a. The applicant should provide plans which include costs for both renovation and relocation, demonstrating the strengths and weaknesses of each alternative.
- b. The applicant should demonstrate that there is an acceptable existing or projected future demand for the proposed project.

Not applicable. This project does not replace or relocate an existing facility.

- 3. For renovation or expansion of an existing licensed healthcare institution:
- a. The applicant should demonstrate that there is an acceptable existing demand for the proposed project.

Sections B.II.C above (Project Need), and C.I.6 below (Project Utilization), demonstrate that current utilization and conservatively projected demand for ED capacity at the applicant's facility justify the addition of a minimum of 8 treatment rooms in the Summit emergency services primary service area.

In CY2015, the applicant is operating at 126.7% of the general industry standard for annual treatment room utilization. Without additional rooms, this ED will be facing utilization exceeding 150% of industry standards by the year 2021.

b. the applicant should demonstrate that the existing physical plant's condition warrants major renovation or expansion.

The table and narrative in Section B.II.D. above demonstrate that ED expansion is needed. However, enlarging the existing ED would disrupt workflow due to new construction and the need to remodel the interior of the ED to integrate its workflow into enlarged space. While this option is not impossible, Summit is electing first to expand its ED capacity at an off-site location to avoid on-campus disruption and expense, while also reducing drive times to care for many patients coming from Wilson County.

The Framework for Tennessee's Comprehensive State Health Plan

Five Principles for Achieving Better Health

The following Five Principles for Achieving Better Health serve as the basic framework for the State Health Plan. After each principle, the applicant states how this CON application supports the principle, if applicable.

1. Healthy Lives

The purpose of the State Health Plan is to improve the health of Tennesseans. Every person's health is the result of the interaction of individual behaviors, society, the environment, economic factors, and our genetic endowment. The State Health Plan serves to facilitate the collaboration of organizations and their ideas to help address health at these many levels.

The State Health Plan does not yet provide guidelines for evaluating the need for Emergency Department expansions of capacity. However, it is obvious that the closer a fully staffed and equipped Emergency Service is to patients needing emergency care, the better off those patients will be.

2. Access to Care

Every citizen should have reasonable access to health care.

Many elements impact one's access to health care, including existing health status, employment, income, geography, and culture. The State Health Plan can provide standards for reasonable access, offer policy direction to improve access, and serve a coordinating role to expand health care access.

This project is completely *financially* accessible to all residents of the service area who may need emergency care. Under Federal law, emergency care must be provided to all persons regardless of their insurance status. TriStar Summit Medical Center seeks in this project to give its service area residents improved *physical* accessibility to emergency care--in terms of proximity and in terms of efficiency and responsiveness.

3. Economic Efficiencies

The state's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies and the continued development of the state's health care system. The State Health Plan should work to identify opportunities to improve the efficiency of the state's health care system and to encourage innovation and competition.

This project increases patient choices in selecting a provider of emergency care within Wilson County, especially in its western sectors around Mount Juliet.

4. Quality of Care

Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers. Health care providers are held to certain professional standards by the state's licensure system. Many health care stakeholders are working to improve their quality of care through adoption of best practices and data-driven evaluation.

TriStar Summit Medical Center's caregiver teams and management observe high standards of professional preparation, competence, and care. The hospital and its parent company are heavily committed to identifying and implementing best practices though continuous data-driven evaluation. The hospital has received:

Joint Commission

- a. Full Three-Year Accreditation
- b. Top Performer in Key Quality Measures
- c. Gold Seal of Approval for Total Hip and Knee Replacement Programs

• Other Accreditations and Recognitions

- a. Accredited Chest Pain Center with PCI--Society of Chest Pain Centers
- b. Accreditation with Commendation--Commission on Cancer of the American
 College of Surgeons
- c. Accredited Breast Center--National Accreditation Program for Breast Centers
- d. Breast Center of Excellence--American College of Radiology
- e. Sleep Center Accreditation--American Academy of Sleep Medicine
- f. "A" Safety Score from the Leapfrog Group

5. Health Care Workforce

The state should support the development, recruitment, and retention of a sufficient and quality health care workforce. The state should consider developing a comprehensive approach to ensure the existence of a sufficient, qualified health care workforce, taking into account issues regarding the number of providers at all levels and in all specialty and focus areas, the number of professionals in teaching positions, the capacity of medical, nursing, allied health and other educational institutions, state and federal laws and regulations impacting capacity programs, and funding.

The applicant's numerous affiliations with health professions training programs contribute continuously to the development of the healthcare workforce. These training relationships are listed in Section C.III.6 of thE application.

C(I).2. DESCRIBE THE RELATIONSHIP OF THIS PROJECT TO THE APPLICANT'S LONG-RANGE DEVELOPMENT PLANS, IF ANY.

The project reflects TriStar Summit Medical Center's ongoing commitment to the safety and health of residents of its service area. Few services are as time-sensitive to the general population as emergency care.

Summit completed an ED expansion four years ago in a major project approved by the CON Board (CN0808-060). At that time Summit projected a 1.5% annual rate of growth in its ED visits, and a utilization of 49,466 visits in CY2012.

What Summit actually experienced in its high-growth service area was a 2012 utilization of 52,870 visits, exceeding the 2008 CON application's projection by 6.9%. And the average annual growth rate since 2010 has been three times the rate projected in the prior CON application.

In keeping with principles of orderly development, Summit is re-evaluating its ED facility needs every few years, and is planning ED capacity expansions incrementally to address community needs. This second project--a satellite concept--responds to well-documented needs of the hospital and its service area for more accessibility in future years than will be available without the project.

C(I).3. IDENTIFY THE PROPOSED SERVICE AREA AND JUSTIFY THE REASONABLENESS OF THAT PROPOSED AREA. SUBMIT A COUNTY-LEVEL MAP INCLUDING THE STATE OF TENNESSEE CLEARLY MARKED TO REFLECT THE SERVICE AREA. PLEASE SUBMIT THE MAP ON A 8-1/2" X 11" SHEET OF WHITE PAPER MARKED ONLY WITH INK DETECTABLE BY A STANDARD PHOTOCOPIER (I.E., NO HIGHLIGHTERS, PENCILS, ETC.).

The primary service area is defined in this application in two ways. First, as required by HSDA rules, it is defined on a <u>county</u> basis: Wilson County. TriStar Summit Medical Center is very close to the Davidson/Wilson county line, has a medical staff with significant depth, and consequently has served patients from Wilson County for many years. This is especially true for the Mount Juliet area of western Wilson County, for which Summit is the leading provider for ED services and many other services.

Second, the primary service area is defined as three residential postal zip codes: 37122 (Mount Juliet); 37087 (Lebanon-North) and 37090 (Lebanon-South). As a contiguous group, they surround the project site and are accessible to it. 00

Attachment C, Need--3 at the back of the application contains maps of the primary service area. Tables Eight-A and Eight-B below project patient origin to the satellite ED for its first two years of operation, CY2017-CY2018.

| Table Eight- | Table Eight-A: Projected Patient Origin By County | | | | | | |
|-------------------------|---|-----------------|-----------------|--|--|--|--|
| County | Percent of | Year One Visits | Year Two Visits | | | | |
| Total | | | | | | | |
| Wilson County PSA | 80% | 8,106 | 8,511 | | | | |
| Other Counties Each <5% | 20% | 2026 | 2,128 | | | | |
| Total | 100% | 10,132 | 10,639 | | | | |

| Table Eight-B: Projected Patient Origin By Zip Code | | | | | | |
|---|------------------|-----------------|-----------------|--|--|--|
| Zip Code | Percent of Total | Year One Visits | Year Two Visits | | | |
| PSA | | | | | | |
| 37122-Mount Juliet | 55.9% | 5,663 | 5,947 | | | |
| 36087-Lebanon N. | 17.7% | 1,798 | 1,888 | | | |
| 36090-Lebanon S. | 6.4% | 645 | 676 | | | |
| Subtotal, PSA | 80.0% | 8,106 | 8,511 | | | |
| Other < 5% | 20% | 2026 | 2,128 | | | |
| Total | 100.0% | 10,132 | 10,639 | | | |

Basis for Service Area Definition

The county-level primary service area was defined as Wilson County because Wilson County contributed 32.1% of Summit's discharged inpatients in CY2014, second only to Davidson County at 57.8% of all discharges. Those two counties are Summit's historical primary service area. However, only Wilson County will be in the satellite ED primary service area, because it is several miles to the east of the Davidson County line and few Davidson County residents in need of emergency care will drive east past Summit's main ED in Hermitage, to utilize a Summit satellite halfway to Lebanon.

In terms of zip codes, the Mount Juliet zip code (37122) and two Lebanon residential zip codes (36087 and 36090) were identified as the project's primary service area for several reasons.

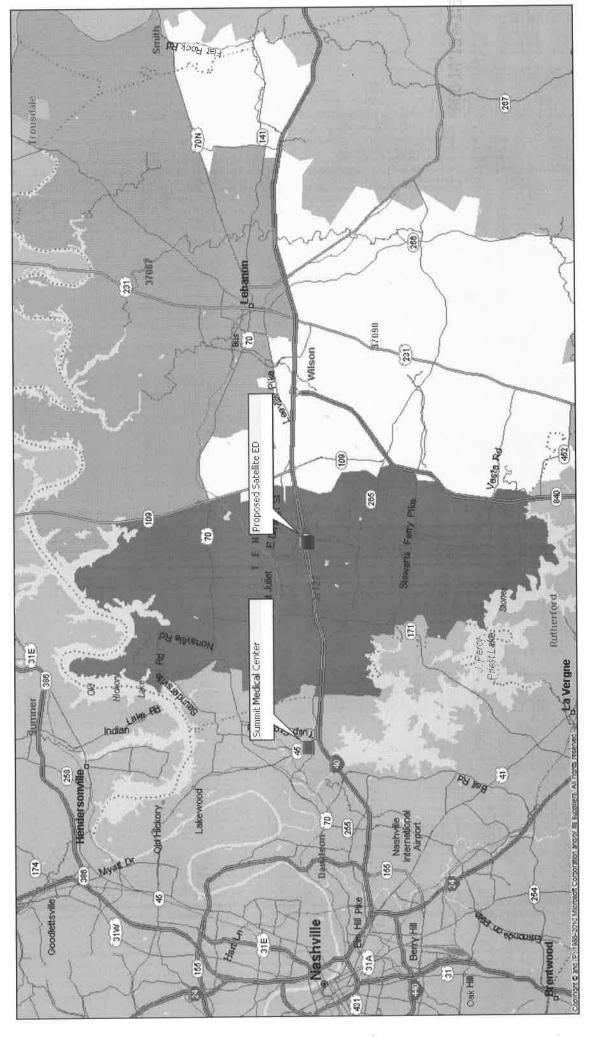
The Mount Juliet zip code is Summit's second highest contributor of ED visits, generating 16.8% of all ED visits to Summit. Based on the latest complete reported data (CY2013), 72.2% of the Mount Juliet zip code's ED visits were served by Summit-compared to only 7.4% served in central Wilson County at University Medical Center.

Furthermore, the Mount Juliet and Lebanon zip codes together generate 24.4% of Summit's total ED visits, more even than Summit's home zip code of Hermitage. All or major parts of these three zip codes are reasonably accessible to this project.

Almost all of the land in these zip codes is within Wilson County. The only exceptions are very small pieces on the southwest and northeast sectors of the zip codes. They appear to be negligible for planning purposes. It would not be reasonable to include those adjoining counties in this project's primary service area for health planning purposes.

Please see the zip code map following this page, and Table Eight-C on the next following page. The table provides the most recent complete available data on these zip codes' residents' destinations for ED care. The hospital in the project service area (UMC in Lebanon) has not reported 2014 data to THA, so this table provides 2013 THA data.

Proposed Satellite Emergency Department Service Area



| | Primar | y Service Area Zip | Codes | |
|-------------------------------|--------|--------------------|-------|--------|
| Hospital Name | 37122 | 37087 | 37090 | Total |
| Summit | 8,404 | 2,386 | 858 | 11,648 |
| UMC | 1,306 | 16,734 | 2,448 | 20,488 |
| Vanderbilt | 1,615 | 1,106 | 369 | 3,090 |
| Baptist | 388 | 173 | 71 | 632 |
| Centennial | 387 | 165 | 64 | 616 |
| Saint Thomas | 284 | 176 | 88 | 548 |
| StoneCrest | 341 | 111 | 87 | 539 |
| Sumner Regional | 78 | 422 | 21 | 521 |
| MTMC | 139 | 161 | 194 | 494 |
| Skyline | 165 | 100 | 34 | 299 |
| Riverview Regional - South | 5 | 231 | 31 | 267 |
| Southern Hills | 115 | 78 | 16 | 209 |
| Trousdale | 3 | 160 | 18 | 181 |
| Nashville General | 101 | 47 | 16 | 164 |
| Hendersonville | 46 | 72 | 21 | 139 |
| Cookeville Regional | 27 | 50 | 16 | 93 |
| Williamson Med Center | 43 | 19 | 3 | 65 |
| University Of TN | 30 | 16 | 3 | 49 |
| Fort Sanders - Sevier | 15 | 9 | 6 | 30 |
| Horizon | 10 | 14 | 2 | 26 |
| Gateway | 11 | 10 | 5 | 26 |
| Maury Regional | 7 | 10 | 7 | 24 |
| Erlanger Health System | 13 | 8 | 2 | 23 |
| Northcrest | 6 | 11 | 3 | 20 |
| Dekalb Hosptial | - | 13 | 2 | 15 |
| Fort Sanders - Regional | 3 | 7 | 3 | 13 |
| Jefferson Memorial | a. | 9 | 3 | 12 |
| Johnson City | 5 | 2 | 4 | 11 |
| River Park | 4 | 5 | 2 | 11 |
| Bedford County | 2 | 7 | 1 | 10 |
| The Medical Center (Franklin) | 4 | 6 | 120 | 10 |
| Other Hospitals < 10 Visits | 147 | 159 | 54 | 360 |
| Total | 13,704 | 22,477 | 4,452 | 40,633 |

Total
Source: THA Database

C(I).4.A DESCRIBE THE DEMOGRAPHICS OF THE POPULATION TO BE SERVED BY THIS PROPOSAL.

Primary Service Area--Wilson County

Please see Table Nine-A on the following page. The primary service area (PSA) county has a slightly older median age (approximately 39.3) than the State median age of 38 years. Between this year and 2019, the Wilson County population is projected by State demographers to increase by 7.5%, twice as fast as the 3.7% increase forecasted for the State.

Wilson County's elderly age 65+ population is 14.5% of the total county population, somewhat less than the 15.2% Statewide percentage. By 2019, the PSA and State percentages of elderly will be similar, at 16.3% and 16.55, respectively.

In terms of income, Wilson County's median household income of \$60,390 is far above the State average of \$44,298. TennCare enrollment in Wilson County is 13.3% of the population versus 18.0% Statewide. The persons living in poverty in this county are 10.2% of the population, compared to 17.6% Statewide.

Primary Service Area--By Zip Codes

Please see Table Nine-B on the following page for population projections for the three zip codes comprising the primary service area of this project.

| Table | Nine-A: De | mographi | ic Charact | Table Nine-A: Demographic Characteristics of Primary Service Area (County) of Summit Medical Center Emergency Department at Mt. Juliet 2015-2019 | rimary Se | rvice Area 201 | rea (County) 2015-2019 | of Summi | t Medical C | enter Em | ergency D | epartmen | t at Mt. Jul | et |
|-------------------------|----------------------|---------------------|--------------------------|---|-----------|--------------------------------|---------------------------|-----------------------------|--|---------------------|--|---------------------------|-----------------|-----------------------------------|
| Primary Service Area | | | | | | _ a | mographic | Demographic Characteristics | tics | | | | | |
| | | | | Total | Total | | Total | | Age 65+ | | TennCare | TennCare Percent of 2015 | Persons | Persons Below Poverty Level |
| | Median Age - 2010 | Total Population | Total Population | Population % Change | Po | % of | Population Age 65+ | % of | Population - Change | Median Household | Population Median Medicaid Population - Change Household Enrollees Enrolled in | Population Enrolled in | | as % of Population US |
| County | Census | 2015 | 2019 | 2015 - 2019 | 2015 | Population | 2019 | Population | Population 2015 - 2019 Income JULY 2015 TennCare | Income | JULY 2015 | TennCare | Level | Census |
| Wilson (PSA) | 39.3 | 124,073 | 133,357 | 7.5% | 17,944 | 14.5% | | 21,745 16.3% | | 21.2% \$60,390 | 18,057 | 14.6% | 12,655 | 10.2% |
| State of Tennessee | | 6 649 438 | 38 0 6 649 438 6 894 997 | 3 7% | 1 012 937 | 3 7% 1 012 937 15 2% 1 134 565 | 1 134 565 | 16 5% | | \$44 798 | 12 0% \$44 298 1 399 004 | | 21.0% 1.170.301 | 17 6% |

State of Tennessee 38.0 6,649,438 6,894,997 3.7% 1,012,937 Sources: TDH Population Projections, May 2013; U.S. Census QuickFacts; TennCare Bureau Apr 2015. PSA data is unweighted average, or total, of county data.

Below Poverty Level as % of Population US Census 17.6% Persons A Ϋ́ ž ž Table Nine-B: Demographic Characteristics of Primary Service Area (Zip Codes) of Summit Medical Center Emergency Department at Mt. Juliet 2015-2019 1,170,301 Persons Below Poverty Level ₹ ٤ ₹ A Percent of 2015 Population Enrolled in TennCare 21.0% ₹ § § ž or Medicaid Enrollees May 2015 TennCare 1,399,004 ΑN ₹ ž ž Median Household Income \$44,298 ₹ Ā Ž Ν Age 65+
Population
% of - Change H
Population 2015 - 2019 12.0% 21.0% 18.3% 19.9% 20.1% Demographic Characteristics 17.5% 16.5% 13.6% 19.1% 16.3% Total Population Age 65+ 2019 8,726 3,195 10,110 22,031 1,134,565 15.2% 17.2% % of Population 15.7% 12.2% 14.6% Total Population Age 65+ 2015 2,700 18,342 1,012,937 7,211 8,431 3.7% Total Population % Change 2015 - 2019 7.5% 7.8% 8.5% 6.1% 52,819 Total Total
Population 2015 2019 18,211 135,053 64,023 38.0 6,649,438 6,894,997 17,164 49,134 125,305 59,007 Median Age - 2010 Census ¥ ă Α ž PSA State of Tennessee Primary Service Zip Code Area 37090 37122 37087

C(I).4.B. DESCRIBE THE SPECIAL NEEDS OF THE SERVICE AREA POPULATION, INCLUDING HEALTH DISPARITIES, THE ACCESSIBILITY TO CONSUMERS, PARTICULARLY THE ELDERLY, WOMEN, RACIAL AND ETHNIC MINORITIES, AND LOW-INCOME GROUPS. DOCUMENT HOW THE BUSINESS PLANS OF THE FACILITY WILL TAKE INTO CONSIDERATION THE SPECIAL NEEDS OF THE SERVICE AREA POPULATION.

TriStar Summit Medical Center provides its acute care services to all of these groups. Hospitals in the Medicare program are required by Federal law (EMTALA) to provide all required care to any patient for whom emergency care is appropriate, when that patient presents to the hospital Emergency Room. The applicant complies with this requirement and the proposed satellite ED will also.

Table Ten on the following page shows how the Emergency Departments of this hospital and other hospitals in and near the area are financially accessible to elderly and low-income persons.

| 1 | able Ten: Eme General Hospi | rgency Department Payor tals of Wilson and Davidso CY2013 | on Counties | | |
|--|--------------------------------|---|------------------|-----------------|--------|
| HOSPITAL EMERGENCY | | PERCENTAGE O | OF VISITS BY PAY | | |
| DEPARTMENT | MEDICARE | MEDICAID / TENNCARE | SELF PAY | COMMERCIAL/BCBS | OTHER |
| University Medical Center (Wilson Co.) | 16.03% | 12.64% | 12.95% | 45.39% | 13.00% |
| Metro Nashville General Hospital | 7.99% | 23.26% | 52,35% | 9.00% | 7.40% |
| St. Thomas Midtown Hospital | 25.23% | 27.07% | 17.93% | 26,32% | 3.45% |
| St. Thomas West Hospital | 39.17% | 11.16% | 12.68% | 34.04% | 2.96% |
| TriStar Centennial Medical Center | 23.34% | 30.87% | 13.48% | 29.95% | 2.37% |
| TriStar Skyline Medical Center | 23.89% | 31.76% | 22.79% | 18.66% | 2.89% |
| TriStar Southern Hills Medical Center | 14.98% | 35.82% | 27.26% | 19.22% | 2.72% |
| TriStar Summit Medical Center | 21.66% | 25.16% | 17.77% | 31.67% | 3.74% |
| Vanderbilt University Medical Center | 14.13% | 35.73% | 10.93% | 33.64% | 5.58% |

Source: TN Department of Health, Joint Annual Reports of Hospitals, 2013.

C(I).5. DESCRIBE THE EXISTING OR CERTIFIED SERVICES, INCLUDING APPROVED BUT UNIMPLEMENTED CON'S, OF SIMILAR INSTITUTIONS IN THE SERVICE AREA. INCLUDE UTILIZATION AND/OR OCCUPANCY TRENDS FOR EACH OF THE MOST RECENT THREE YEARS OF DATA AVAILABLE FOR THIS TYPE OF PROJECT. BE CERTAIN TO LIST EACH **UTILIZATION** AND/OR **OCCUPANCY ITS** INSTITUTION AND INPATIENT BED PROJECTS MUST INCLUDE THE INDIVIDUALLY. FOLLOWING DATA: ADMISSIONS OR DISCHARGES, PATIENT DAYS, AND OCCUPANCY. OTHER PROJECTS SHOULD USE THE MOST APPROPRIATE MEASURES, E.G., CASES, PROCEDURES, VISITS, ADMISSIONS, ETC.

Hospital Emergency Departments in the Project Service Area

There is only one acute care hospital in the service area: University Medical Center ("UMC"), a Community Health Services facility in Lebanon, in central Wilson County. Its historical emergency room utilization is shown in Table Nine below. From 2011 to 2013, UMC's ED visits declined 1.4%. UMC's 2014 Joint Annual Report has not been released yet by the Tennessee Department of Health.

| Table Eleven: | Service Area E | mergency Depa | rtments' Utiliza | tion |
|------------------------|----------------|---------------|------------------|----------|
| | 2011 | 2012 | 2013 | 2014 |
| Hospital | Patients | Patients | Patients | Patients |
| University Med. Center | 28,884 | 30,149 | 28,491 | NA |

Source: Joint Annual Reports, p. 38, patients presenting.

Urgent Care Center

Minor, low acuity conditions can often be served in an urgent care center or physician's office. These are not licensed acute care facilities. They do not publicly report utilization. The applicant has provided on the next page a list of urgent care centers in the project service area, with what information is available from their websites as to hours of operation. The applicant does not know their categories or levels of staffing, or their willingness to accept payments by credit cards, or to bill by invoice, or to intentionally provide care to persons who cannot pay and have no insurance. Moreover, they are never available 24 hours daily. Also provided after the list of urgent care centers is a comparison of services that are typically available in emergency rooms and urgent care centers, a map of urgent care locations, a list of ED's in Wilson and Davidson Counties, and a list and map of the Emergency Medical Services (EMS) locations in Wilson County.

CareSpot (TriStar)

1705 W Main St, #211 Lebanon, TN 37087

Ph: 615-237-8982 8 A.M.- 8 P.M., 7 days/wk

AnyCare 24

702 S. Cumberland St. Lebanon, TN 37087-4110

Ph: 615-444-2121; Fax: 615-547-6474 24 hrs/day, 7 days/wk

Kids Care Walk-in Clinic & Urgent Care

1029 West Main St., Suite O Lebanon, TN 37087 HOURS: M-F, 8 AM to 7 PM; Sat & Sun, 8 AM to 2 PM

Community Quick Care of Lebanon

1670 West Main Street, Suite 140 Lebanon, TN 37087 Ph: 615-453-9492; Fax: 615-453-9498

Healthcare Clinic at Walgreens

1303 W Main St. Lebanon, TN 37087 Ph: 855-925-4733

American Family Care -- Providence Clinic

355 Pleasant Grove Road, Suite 1400 Mt. Juliet, TN 37122 Hours: 8 A.M. - 6 P.M., 7 days a week

The Little Clinic at Kroger

1418 Main St., Lebanon, TN

Ph: 615-453-7720

Hours: 8 A.M. to 7:30 P.M., M-F; 8-5 Sat.; 10-5 Sun.

| | | MERGENCY DE | |
|--------------------|----------------|-------------------|---------------------------------|
| Condition/Need | Urgent Care | Summit Main ED | Proposed Summit Satellite ED |
| Broken Bones | Care | X | X |
| Basic Lab Services | | X | X |
| Complex Lab | | X | X |
| Services | | A | ** |
| Basic Radiological | | | |
| Services | X | X | X |
| Complex | Α | A | Λ |
| Radiological | | | |
| Services | | x | X |
| Fevers/Rashes | V | | X |
| Sore Throat/ Ear | X | X | Λ |
| Infections | V | v | x |
| | X | X | Λ |
| Orthopedic Care | | v | |
| Requiring an MRI | | X | |
| Prescriptions | | | TV |
| Written | X | X | X |
| Migraines | X | X | X |
| Minor Burns | X | X | X |
| Respiratory | | | |
| Infections | X | X | X |
| X-Rays | X | X | X |
| Advanced Life | | | |
| Support | | X | X |
| Severe Chest Pain | | X | X |
| Deep Puncture | | | |
| Wounds | | X | X |
| Traumatic Injuries | | X | X |
| Dizziness | X | X | X |
| Patients in Labor | | | |
| with medical | | | |
| problems | | X | X |
| Patients requiring | | x (not major | |
| surgery | | trauma) | x (not major trauma) |
| The Flu | x | X | X |
| Back Pain | X | X | X |
| Sprains | X | X | X |
| Toothache | X | X | X |

266 141 23 unelmield (a) Leaville Pike 100 Proposed Satelitte ED 8 2 Beckerin Fellowship & **Mount Juliet** (D) Nonavalle Rd Z J. Percy Priest Lake Tulip Grove Rd ANADERO NO VOLUMA Walton Fany Rd Old Hickory Lake Summit Medical Center old ickory. Nashwile International Airport 4 70 12 366 8 386 DE JOHOH ell dille EVA 160003 Nashville 31E 31,00 Oak Hill 431

Summit Proposed FSED with Urgent Care Locations

LOCATIONS OF WILSON AND DAVIDSON COUNTY EMERGENCY ROOMS

Wilson County

University Medical Center 1411 Baddour Parkway Lebanon, TN 37087

Davidson County

Metropolitan Nashville General Hospital 1818 Albion Street Nashville, TN 37208

St. Thomas Midtown Hospital 2000 Church Street Nashville, TN 37236

Saint Thomas West Hospital 4220 Harding Road Nashville, TN 37205

TriStar Centennial Medical Center 2300 Patterson Street Nashville, TN 37203

TriStar Skyline Medical Center 3441 Dickerson Pike Nashville, TN 37207

TriStar Summit Medical Center 391 Wallace Road Nashville, TN 37211

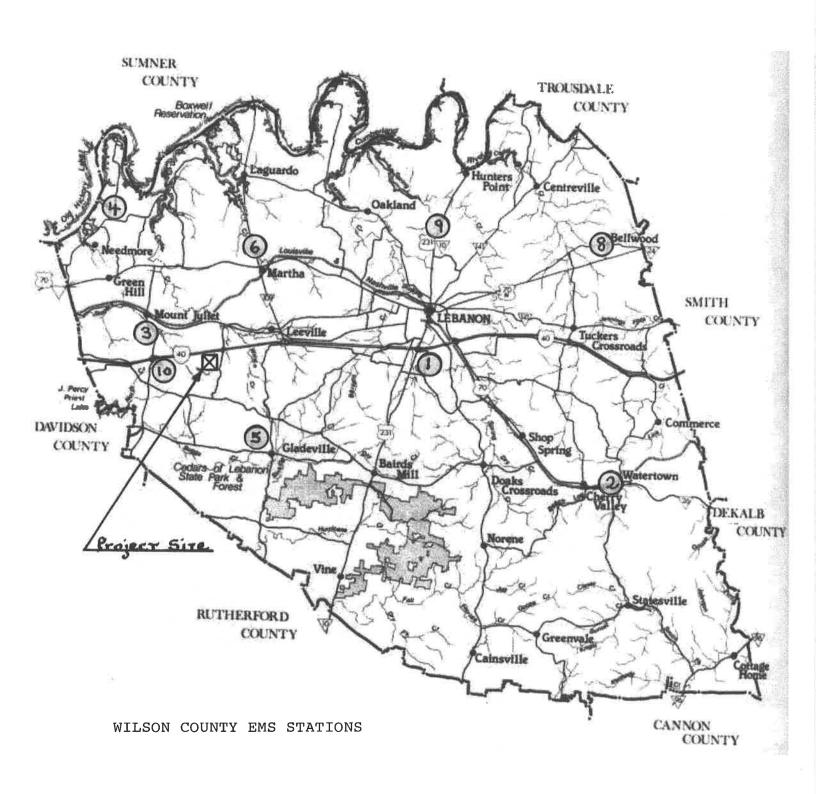
TriStar Summit Medical Center 5655 Frist Blvd Hermitage, TN 37076

Vanderbilt University Medical Center 1161 21st Ave. South Nashville, TN 37232

LOCATIONS OF WILSON COUNTY EMERGENCY MEDICAL SERVICES STATIONS

Wilson County has the following EMS ambulance stations. Station 7 has a firetruck but not an ambulance, and is not listed.

| Station | Street Address | Community | Zip Code |
|------------|----------------------------|--------------|----------|
| Station 1 | 371 Maddox Simpson Parkway | Lebanon | 37090 |
| Station 2 | 160B Statesville Road | Watertown | 37184 |
| Station 3 | 69 East Hill Street | Mt. Juliet | 37122 |
| Station 4 | 6171 Saundersville Road | Mt. Juliet | 37122 |
| Station 5 | 8814 Stewarts Ferry Pike | Gladeville | 37122 |
| Station 6 | 5873 Highway 109 North | LaGuardo | 37122 |
| Station 8 | 5424 Carthage Highway | Lebanon | 37087 |
| Station 9 | 40 Rutledge Lane | Lebanon | 37087 |
| Station 10 | 100 Belinda Parkway | Mount Juliet | 37122 |



PROVIDE APPLICABLE UTILIZATION AND/OR OCCUPANCY C(I).6. STATISTICS FOR YOUR INSTITUTION FOR EACH OF THE PAST THREE (3) YEARS AND THE PROJECTED ANNUAL UTILIZATION FOR EACH OF THE FOLLOWING COMPLETION THE PROJECT. **OF** TWO (2) YEARS REGARDING **PROVIDE** THE ADDITIONALLY, **PROJECT** UTILIZATION. THE **USED** TO **METHODOLOGY** CALCULATIONS OR METHODOLOGY MUST INCLUDE DETAILED DOCUMENTATION FROM REFERRAL SOURCES, AND IDENTIFICATION OF ALL ASSUMPTIONS.

A. Utilization of the TriStar Summit Emergency Department

Table Twelve-A and -B below provide historic and projected visits to TriStar Summit Medical Center's main ED and its proposed satellite ED. The following points summarize the data and the projection methodology.

- 1. The utilization of the *satellite ED* from 2017-2021, shown in Table Twelve-B, line B, was projected by the following steps:
- a. The applicant's experience with satellite ED's indicates that typically 80% of its visits will originate from within its home zip code and two contiguous zip codes.
- b. The satellite in this project will be on a high-speed interstate highway directly connecting the satellite to the main Summit campus. So the hospital applied a 75% satellite "capture" factor to the main campus ED's 2013 visits from zip codes 37087 and 37090, to estimate the satellite's visits from those two zip codes.
- c. For nearby zip code 37122, in which Summit has by far the highest market share of all ED visits, the hospital assumed that 67% of its main campus visits would elect to go to the satellite, with 33% remaining at the main campus. This was based on the fact that in this very large zip code, some residents may be closer in drive time to the main campus at the time their emergency event occur--while driving through, or suffering workplace injuries, or involved in recreation, shopping, or visiting other's homes.
- d. The remaining 20% of satellite ED visits would come from many unidentified zip codes, as they do for the main campus ED. It was not assumed that any one of these

would contribute as much as 5% of satellite visits. These are most likely to be persons who do not live close to Mount Juliet, but would go to an ED after having traffic accidents in the area, or suffering workplace injuries in the area, or being closer to Mount Juliet for other reasons such as recreation, shopping, and visiting area residents.

- 2. The community demand at the <u>main campus ED</u>, which was projected in Table Four above (see Section B.II.D), will be reduced in CY2017 when the Mt. Juliet satellite ED opens, because many patients who would otherwise go to the main campus will be going instead to the satellite location. TriStar Summit management estimates that 40% of the satellite's visits will be these "shifted" patients. So to determine what will remain at the main campus, the applicant subtracted those shifted visits (40% of the satellite's visits) from the Table Four projection of Summit's projected visits in CY2017-2021. That calculation is shown in Table Twelve-A, whose third line are visits remaining at the main campus ED.
- 3. Those remaining main campus visits were then put into line A of Table Twelve-B as the main campus utilization in CY 2017-2021 with a satellite facility open in Mount Juliet. Treatment room complements were added throughout the table. A spreadsheet formula calculated utilization per room for the main ED, the satellite ED, and the combined ED's.
- 4. In the first year of the satellite's operation (CY2017), it is projected to have 10,132 visits, or 1,267 per treatment room. Within five years (CY2021) its utilization will increase to 12,316 visits, or 1,540 per treatment room.
- 5. In the first year of its satellite's operation (CY2017), the main campus ED is projected to decline in utilization to 58,445 visits, which will be an average of 1,885 visits per treatment room--still a high degree of utilization. By CY2021, the main ED will have 65,650 visits and will be averaging 2,118 visits per treatment room.
- 6. Together, the two ED sites will have utilization of 1,758 visits per room in CY2017; and that will increase to 1,999 visits per room in CY2021. Additional expansions of ED capacity will be considered beyond CY2021, if deemed to be needed by the communities that this hospital serves.

| | Tab | e Tweive | Table Twelve-A: Satellite Impact on | ite Impac | t on |
|---------------------------------------|-----------|-----------|---|-----------|-----------|
| | | Main C | Main Campus ED Visits | Visits | |
| | Yr 1-2017 | Yr 2-2018 | Yr 1-2017 Yr 2-2018 Yr 3-2019 Yr 4-2020 Yr 5-2021 | Yr 4-2020 | Yr 5-2021 |
| Projected Main ED Visits (Table Four) | | 64,373 | 62,498 64,373 66,304 68,293 | 68,293 | 70,342 |
| Minus Visits Moving to Satellite ED | 4,053 | 4,256 | 4,468 | 4,692 | 4,692 |
| Remaining Main Campus ED Visits | 58,445 | 60,117 | 58,445 60,117 61,835 63,601 65,650 | 63,601 | 65,650 |
| | | | | | |

|--|

| | Table Twelve-B: TriStar Summit Medical Center Emergency Department Actual and Projected Visits CY2010-CY2021With Proposed Mt. Juliet Satellite ED Open in CY2017 Distribution of Visits Between Main and Satellite Emergency Departments | Table Twelv rojected Visi Distribution | elve-B: 7 isits CY2 on of Visi | riStar Si 2010-CY; its Betwe | ummit M 2021W een Main | ledical Coith Property and Sat | ve-B: TriStar Summit Medical Center Emergency Department its CY2010-CY2021With Proposed Mt. Juliet Satellite ED Ope of Visits Between Main and Satellite Emergency Departments | ergency Juliet Sa ergency | Departn tellite El Departn | nent D Open i nents | n CY201 | | |
|---|--|--|--------------------------------------|------------------------------------|------------------------------|--------------------------------|--|---------------------------------|----------------------------------|---------------------------|----------------|----------------|----------------|
| | | | 8 | ACTUAI | IAL | | | | | PROJECTED | CTED | | |
| _ | , | 2010 | 2011 | 2012 | 2013 | 2014 | Ann'd 2015 | 2016 | Year 1 2017 | Year 2 2018 | Year 3 2019 | Year 4 2020 | Year 5 2021 |
| П | | | | | | | | | | | | | |
| ⋖ | Main Campus Visits | 46,621 | 47,191 | 52,870 | 51,552 | 55,154 | 58,910 | 60,677 | 58,445 | 60,117 | 61,835 | 63,601 | 65,650 |
| | Main Campus Rooms | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 |
| | Main Campus Visits/Room | 1,504 | 1,522 | 1,705 | 1,663 | 1,779 | 1,900 | 1,957 | 1,885 | 1,939 | 1,995 | 2,052 | 2,118 |
| | | | | | | | | | | | | | |
| m | Satellite Visits | | | | | | | | 10,132 | 10,639 | 11,171 | 11,729 | 12,316 |
| | Satellite Rooms | | | | | | | | 8 | 8 | ω | ω | 8 |
| | Satellite Visits Per Room | | | | | | | | 1,267 | 1,330 | 1,396 | 1,466 | 1,540 |
| | | | | | | | | | | | | | |
| ပ | Total Visits | 46,621 | 47,191 | 52,870 | 51,552 | 55,154 | 58,910 | 60,677 | 68,577 | 70,756 | 73,006 | 75,330 | 77,966 |
| | Total Rooms | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 39 | 39 | 39 | 39 | 39 |
| | Total Visits Per Room | 1,504 | 1,522 | 1,705 | 1,663 | 1,779 | 1,900 | 1,957 | 1,758 | 1,814 | 1,872 | 1,932 | 1,999 |
| | | | | | | | | | | | | | |

Sources: Hospital Records and Management Projections; and Table Four.

Table Twelve-C below shows the projected distribution of visits by acuity level at both the main and the satellite ED locations through Year One. The following page provides definitions of acuity levels got triage purposes. Level Five is the highest acuity level.

| Table | Twelve-C: | Summit Med | dical Center | Emergency 1 | Department | |
|--------------------|-----------|----------------|--------------|-------------|--------------|----------|
| | Dis | tribution of ' | Visits By Ac | uity Level | - | |
| | | | | Main ED | Satellite | Combined |
| | Main ED | Main ED | Main ED | Yr 1 | ED Yr 1 | Yr 1 |
| Level of Care | 2014 | 2015 | 2016 | 2017 | 2017 | 2017 |
| I | 10,999 | 12,208 | 12,574 | 12,113 | 496 | 12,609 |
| II | 18,433 | 19,565 | 20,152 | 19,410 | 2,877 | 22,287 |
| III | 22,641 | 24,039 | 24,760 | 23,849 | 5,857 | 29,705 |
| IV | 2,396 | 2,258 | 2,326 | 2,240 | 831 | 3,071 |
| V (highest acuity) | 685 | 840 | 865 | 833 | 71 | 904 |
| Totals | 55,154 | 58,910 | 60,677 | 58,445 | 10,132 | 68,577 |
| | | | | | | |
| | | | | Main ED | Satellite | Combined |
| | | | | Yr 2 | ED Yr 2 | Yr 2 |
| I | | | | 12,458 | 521 | 12,979 |
| II | | | | 19,966 | 3,022 | 22,988 |
| III | | | | 24,531 | 6,150 | 30,681 |
| IV | | | | 2,305 | 872 | 3,177 |
| V (highest acuity) | | | | 857 | 74 | 931 |
| Totals | | | | 60,117 | 10,639 | 70,756 |

DEFINITIONS OF ACUITY USED BY TRISTAR SUMMIT MEDICAL CENTER ED FOR TRIAGE

I. (Non-Urgent): Condition requires no ED resources. Appropriate patients for care in a fast track area.

Vital Signs: Once only unless condition changes and upon discharge; if stay in the ED exceeds 90 minutes or if any vital signs were abnormal upon arrival.

II. (Less-urgent) Condition requires one resource for a disposition decision to be reached. These patients may safely wait for evaluation. Routine care is required. Care can be delayed for patient to be treated with more acute problems. Appropriate patients for care in a fast track area.

Vital Signs: Only once unless condition changes and upon discharge; if stay in the ED exceeds 90 minutes or if any vital signs were abnormal upon arrival.

III. (Urgent) These patients require 2 or more resources (labs, EKG, X-ray, IV Fluids) for a disposition decision to be reached. The patient is stable for the interim but requires emergency department resources.

Vital Signs: Upon triage then every hour if one or more vital sign fall out of normal parameter. Otherwise as condition warrants.

IV. (Emergent) Condition requires expeditious treatment. These patients have potential threat of loss of life, organ, limb or vision and should be seen as soon as possible in the ED or any other appropriate safe environment.

Vital signs: Upon arrival and then q5-15 minutes until stable. Then every 30 minutes X 2, then every hour and PRN as warranted by the patient's condition.

V. (Resuscitation) These patients have an immediate problem within primary survey components. They present with no airway, breathing, and circulation or are unresponsive. Reassessment is continuous.

Vital Signs: Upon arrival and then q5 - 15 minutes until stable. Then every 30 minutes x 2, then every hour and PRN as warranted by the patient's condition.

C(II)1. PROVIDE THE COST OF THE PROJECT BY COMPLETING THE PROJECT COSTS CHART ON THE FOLLOWING PAGE. JUSTIFY THE COST OF THE PROJECT.

- ALL PROJECTS SHOULD HAVE A PROJECT COST OF AT LEAST \$3,000 ON LINE F (MINIMUM CON FILING FEE). CON FILING FEE SHOULD BE CALCULATED ON LINE D.
- THE COST OF ANY LEASE (BUILDING, LAND, AND/OR EQUIPMENT) SHOULD BE BASED ON FAIR MARKET VALUE OR THE TOTAL AMOUNT OF THE LEASE PAYMENTS OVER THE INITIAL TERM OF THE LEASE, WHICHEVER IS GREATER. NOTE: THIS APPLIES TO ALL EQUIPMENT LEASES INCLUDING BY PROCEDURE OR "PER CLICK" ARRANGEMENTS. THE METHODOLOGY USED TO DETERMINE THE TOTAL LEASE COST FOR A "PER CLICK" ARRANGEMENT MUST INCLUDE, AT A MINIMUM, THE PROJECTED PROCEDURES, THE "PER CLICK" RATE AND THE TERM OF THE LEASE.
- THE COST FOR FIXED AND MOVEABLE EQUIPMENT INCLUDES, BUT IS NOT NECESSARILY LIMITED TO, MAINTENANCE AGREEMENTS COVERING THE EXPECTED USEFUL LIFE OF THE EQUIPMENT; FEDERAL, STATE, AND LOCAL TAXES AND OTHER GOVERNMENT ASSESSMENTS; AND INSTALLATION CHARGES, EXCLUDING CAPITAL EXPENDITURES FOR PHYSICAL PLANT RENOVATION OR IN-WALL SHIELDING, WHICH SHOULD BE INCLUDED UNDER CONSTRUCTION COSTS OR INCORPORATED IN A FACILITY LEASE.
- FOR PROJECTS THAT INCLUDE NEW CONSTRUCTION, MODIFICATION, AND/OR RENOVATION; DOCUMENTATION MUST BE PROVIDED FROM A CONTRACTOR AND/OR ARCHITECT THAT SUPPORT THE ESTIMATED CONSTRUCTION COSTS.

The architect's letter supporting the construction cost estimate is provided in Attachment C, Economic Feasibility--1. On the Project Costs Chart, following this response, all costs were estimated by HCA's Design and Construction staff.

| PROPOSED EQU | IPMENT COSTING \$50,000 O | R MORE PER UNIT |
|----------------------|---------------------------|-----------------|
| Type | Example / Model | Estimated Price |
| CT Scanner | GE Optima CT 660 | \$386,000 |
| Rad/Fluoro Room | GE Proteus Rad Room | \$148,000 |
| Mobile Digital X-Ray | GE AMX 4+ Portable | \$112,000 |
| Ultrasound Unit | GE LOGIQ | \$86,000 |

PROJECT COSTS CHART--TRISTAR SUMMIT SATELLITE EMERGENCY DEPARTMENT AT MT JULIET

A. Construction and equipment acquired by purchase: 379,000 Architectural and Engineering Fees 9% 2. Legal, Administrative, Consultant Fees (Excl CON Filing Fee) 50,000 1,400,000 Acquisition of Site 1,500,000 4. Preparation of Site 4,210,400 5. Construction Cost 8,864 SF @ \$475 PSF 685,300 6. Contingency Fund 1,700,000 7. Fixed Equipment (Not included in Construction Contract) 8. Moveable Equipment (List all equipment over \$50,000) 650,000 IS / Telecommunications 9. Other (Specify) Preplanning, bldg fees, testing 272,000 Acquisition by gift, donation, or lease: B. 1. Facility (inclusive of building and land) 0 0 2. Building only 0 3. Land only 0 4. Equipment (Specify) 5. Other (Specify) Financing Costs and Fees: 235,000 1. Interim Financing 0 2. Underwriting Costs 3. Reserve for One Year's Debt Service 4. Other (Specify) **Estimated Project Cost** 11,081,700 (A+B+C)24,934 **CON Filing Fee** E. **TOTAL \$** 11,106,634 Total Estimated Project Cost (D+E) F. 11,106,634 **Actual Capital Cost** Section B FMV

C(II).2. IDENTIFY THE FUNDING SOURCES FOR THIS PROJECT.

- a. PLEASE CHECK THE APPLICABLE ITEM(S) BELOW AND BRIEFLY SUMMARIZE HOW THE PROJECT WILL BE FINANCED. (DOCUMENTATION FOR THE TYPE OF FUNDING MUST BE INSERTED AT THE END OF THE APPLICATION, IN THE CORRECT ALPHANUMERIC ORDER AND IDENTIFIED AS ATTACHMENT C, ECONOMIC FEASIBILITY-2).
- A. Commercial Loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;
- B. Tax-Exempt Bonds--copy of preliminary resolution or a letter from the issuing authority, stating favorable contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
- ____C. General Obligation Bonds--Copy of resolution from issuing authority or minutes from the appropriate meeting;
- _____D. Grants--Notification of Intent form for grant application or notice of grant award;
- X_E. Cash Reserves--Appropriate documentation from Chief Financial Officer; or
- F. Other--Identify and document funding from all sources.

The capital expenditure required is the total project cost on Line F of the Project Cost Chart.

All of the funds required to implement the project will be provided in the form of a cash transfer from HCA Holdings, Inc., through its Division office, TriStar Health System. The financial statements of HCA Holdings, Inc. are provided in the Attachments to the application.

The availability of the required capital is assured by a letter in the Attachments from the TriStar Division of HCA.

C(II).3. DISCUSS AND DOCUMENT THE REASONABLENESS OF THE PROPOSED PROJECT COSTS. IF APPLICABLE, COMPARE THE COST PER SQUARE FOOT OF CONSTRUCTION TO SIMILAR PROJECTS RECENTLY APPROVED BY THE HSDA.

Hospital construction projects approved by the HSDA during 2010-2013 proposed the following construction costs per SF:

| Table Three-A (F | Cost | | Hospital Construction |
|--------------------------|------------------------|---------------------|-----------------------|
| | Renovated Construction | New Construction | Total Construction |
| 1 st Quartile | \$110.98/sq ft | \$224.09/sq ft | \$156.78/sq ft |
| Median | \$192.46/sq ft | \$259.66/sq ft | \$227.88/sq ft |
| 3 rd Quartile | \$297.82/sq ft | \$296.52/sq ft | \$298.66/sq ft |

Source: HSDA Registry; CON approved applications for years 2012 through 2014.

This project's new construction cost exceeds the above averages:

| Table Three-B (REPEATED): This Project's Construction Costs | | | | | | | |
|---|---|-------------|-------------|--|--|--|--|
| Renovation New Construction Total Pro | | | | | | | |
| Square Feet | 0 | 8,864 SF | 8,864 SF | | | | |
| Construction Cost | 0 | \$4,210,400 | \$4,210,400 | | | | |
| Constr. Cost PSF | 0 | \$475 | \$475 | | | | |

However, its construction cost is appropriate for several reasons.

First, the facility is very small; and such small projects usually show a relatively high cost per SF compared to larger projects, because larger projects spread site mobilization and related costs over a larger square footage, when calculating costs PSF.

Second, this project's construction cost will be incurred primarily in CY 2016, which is three years later than the midpoint year of the HSDA Registry cost averages. Increased cost of construction should be expected over a three-year period.

Third, this project's cost estimate is based on current FSED costs in other States where the applicant's development team is building this type of facility.

C(II).4. COMPLETE HISTORICAL AND PROJECTED DATA CHARTS ON THE FOLLOWING TWO PAGES--DO NOT MODIFY THE CHARTS PROVIDED OR SUBMIT CHART SUBSTITUTIONS. HISTORICAL DATA CHART REPRESENTS REVENUE AND EXPENSE INFORMATION FOR THE LAST THREE (3) YEARS FOR WHICH COMPLETE DATA IS AVAILABLE FOR THE INSTITUTION. PROJECTED DATA CHART REQUESTS INFORMATION FOR THE TWO YEARS FOLLOWING COMPLETION OF THIS PROPOSAL. PROJECTED DATA CHART SHOULD INCLUDE REVENUE AND EXPENSE PROJECTIONS FOR THE PROPOSAL ONLY ...

See the following pages. The applicant has provided four charts, with notes pages itemizing Other Revenues and Other Expenses for the four charts. The charts are:

- 1. Historical Data Chart for TriStar Summit Medical Center.
- 2. Historical Data Chart for TriStar Summit Emergency Department.
- 3. Projected Data Chart for TriStar Summit Emergency Department at Mount Juliet
- 4. Projected Data Chart for the TriStar Summit Consolidated Emergency Department (Main Campus and Satellite Emergency Departments combined).

HISTORICAL DATA CHART-SUMMIT MEDICAL CENTER

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in January.

| THE HIS | ar year begins in s | and any i | | Year 2012 | | Year 2013 | | Year 2014 |
|---------|-------------------------------------|----------------------------------|-----------------|--------------|------------|----------------|-------------|-------------|
| A. | Utilization Data | Admissions | | 10,737 | - | 10,598 | _ | 10,552 |
| | | Patient Days | | 42,673 | | 43,019 | _ | 45,024 |
| | | Total Days Including Observation | | 52,062 | | 53,033 | _ | 55,841 |
| B. | | ervices to Patients | _ | 110.070.101 | | 474 110 150 | | E10 CE1 C41 |
| | | nt Services | \$ _ | 419,876,431 | | 471,116,152 | - | 518,651,641 |
| | | ient Services | - | 277,624,464 | - | 313,817,163 | - | 377,285,290 |
| | | ency Services | _ | 58,231,463 | - | 69,312,426 | | 81,197,259 |
| | | Operating Revenue | | 3,098,445 | _ | 2,291,519 | | 2,416,797 |
| | (Specif | y <u>`See notes</u> | | | | 050 507 200 | . | 070 550 007 |
| | | Gross Operating Revenue | ^{\$} _ | 758,830,803 | \$_ | 856,587,260 | \$ _ | 979,550,987 |
| C. | | Operating Revenue | | FOF 4 40 000 | | C1 F 12 4 71 C | | 693,635,773 |
| | | ctual Adjustments | \$ | 525,148,823 | _ | 615,134,716 | - | |
| | | on for Charity Care | | 5,390,825 | - | 5,797,935 | - | 7,801,596 |
| | Provision | ons for Bad Debt | | 60,246,469 | | 58,793,735 | _ | 91,896,230 |
| | | Total Deductions | \$_ | 590,786,117 | \$_ | 679,726,386 | \$_ | 793,333,599 |
| NET OF | PERATING REVENUE | | \$_ | 168,044,686 | \$_ | 176,860,874 | \$_ | 186,217,388 |
| D. | Operating Expen | | | 44 200 240 | | 45 542 426 | | 48,093,791 |
| | | s and Wages | \$ <u></u> | 44,289,349 | - | 45,542,436 | 10 | 46,093,791 |
| | | ans Salaries and Wages | - | 0 | - | 0 | | |
| | Supplie | S | - | 24,856,680 | | 27,242,548 | _ | 28,874,582 |
| | Taxes | | - | 1,339,041 | - | 1,304,870 | _ | 1,303,418 |
| | Deprec | iation | | 7,489,453 | _ | 7,010,478 | | 7,327,483 |
| | Rent | | | 1,711,583 | _ | 1,909,577 | _ | 2,250,982 |
| | | t, other than Capital | | 249,857 | - | 252,138 | - | 231,623 |
| | | ement Fees | | 0.704.220 | - | 11 610 245 | - | 12,167,853 |
| | | s to Affiliates | | 9,701,320 | - | 11,618,245 | - | 12,167,033 |
| | | s to Non-Affiliates | _ | | | 62,218,034 | - | 64,953,948 |
| | 9. Other l | xpenses (See notes | _ | 60,000,150 | - | 157,190,327 | | 165,203,680 |
| | | Total Operating Expenses | \$ | 149,637,433 | \$ | 137,190,327 | φ | 103,203,000 |
| E. | | (Expenses) Net (Specify) | \$ | 10 407 252 | \$- | 19,670,547 | φ- | 21,013,708 |
| | PERATING INCOME | | \$ | 18,407,253 | Ф <u>-</u> | 19,670,347 | Φ- | 21,013,700 |
| F. | Capital Expendit | ures | Φ. | | ď | | ¢ | |
| | | nent of Principal | \$ _ | | Φ_ | | Ψ- | |
| | Interes | | _ | | φ- | 0 | s - | 0 |
| | | Total Capital Expenditures | » <u> —</u> | 0 | Φ_ | U | Φ_ | |
| | PERATING INCOME APITAL EXPENDITI | | \$_ | 18,407,253 | \$_ | 19,670,547 | \$_ | 21,013,708 |

Notes for Other Operating Revenue Historic Data Chart--TriStar Summit Medical Center

| Γ | Year 2012 | Year 2013 | Year 2014 |
|--|-----------|-----------|-----------|
| Fitness Center Dues | 6,080 | 5,430 | 4,305 |
| Cafeteria Sales | 611,000 | 666,001 | 763,608 |
| Cafeteria Catering Sales | 6,630 | 0 | 293 |
| Vending Machine Income | 3,915 | 3,887 | 4,346 |
| Other Income - Recycling | 1,670 | 0 | 351 |
| Transcription Fees | 0 | 0 | 1,303 |
| Xray Film Copies | 886 | 755 | 1,110 |
| Rental/Lease Income | 69,478 | 74,695 | 75,658 |
| Lease Income - Pediatrix | 1,794 | 1,176 | 0 |
| Lease Income - Dube MRI Block Lease | 148,655 | 133,008 | 132,654 |
| Lactation Pump Rental | 36,996 | 29,438 | 20,755 |
| Donations & Gifts - HRSA | 12,358 | 24,169 | 6,192 |
| Other Rental Income | 0 | 0 | 0 |
| Phys Therapy Cancel Fee TES | 0 | 36 | 0 |
| Voluntary Paternity Program | 5,620 | 4,070 | 12,363 |
| T-Mobile Tower Space Lease | 21,432 | 24,829 | 25,831 |
| NSQIP Grant | 60,000 | 60,000 | 60,000 |
| Child Birth Education | 12,060 | 11,165 | 7,610 |
| Plant Operations Labor Allocation - Holladay | (6,121) | (9,007) | (21,688) |
| Plant Operations Labor Allocation - ASC | 15,953 | 12,560 | 16,797 |
| Plant Operations Labor Allocation - Lebanon/MJ | 2,494 | 1,735 | 19 |
| Pharmacy Student Orientation Income | 0 | 20,400 | 8,550 |
| Lab Surveillance Honorarium | 1,800 | 1,800 | 1,800 |
| Medical Staff Dues | 19,300 | 19,700 | 34,300 |
| Other Income - Education | 523 | 35 | 81 |
| Lease Income - MOB Suite 455/555 | 108,011 | 89,472 | 74,218 |
| Subtotal Other Revenue | 1,140,534 | 1,175,354 | 1,230,456 |
| Essential Access/DSH Pymt | 887,998 | 798,420 | 720,555 |
| Amerigroup Settlement | 72,911 | 0 | 0 |
| Medicare PY Contractual | 858,838 | 252,233 | 399,641 |
| Champus PY Contractual | 138,164 | 65,512 | 66,145 |
| TNCare FMAP Pool Distribution | 0 | | |
| Subtotal PY Contractuals | 1,957,911 | 1,116,165 | 1,186,341 |
| Total Other Operating Revenue | 3,098,445 | 2,291,519 | 2,416,797 |

Notes for Other Operating Expenses Historic Data Chart--TriStar Summit Medical Center

| | Year 2012 | Year 2013 | Year 2014 |
|-----------------------------|------------------|------------------|------------------|
| Employee Benefits | \$ 12,541,770.00 | \$ 12,437,834.00 | \$ 12,529,939.00 |
| Pro Fees | \$ 3,777,745.00 | \$ 3,921,344.00 | \$ 4,239,857.00 |
| Ancillary Clinical Services | \$ 27,812,782.00 | \$ 30,509,488.00 | \$ 30,907,878.00 |
| Contract Services (all) | \$ 15,867,853.00 | \$ 15,259,368.00 | \$ 17,276,274.00 |
| Total | \$ 60,000,150.00 | \$ 62,128,034.00 | \$ 64,953,948.00 |
| | | | |
| Management Fee | \$ 9,701,320.00 | \$ 11,618,245.00 | \$ 12,167,853.00 |

HISTORIC DATA CHART-SUMMIT MEDICAL CENTER EMERGENCY DEPARTMENT

Give information for the last three (3) years for which complete data are available for the facility or agency.

| 1,101 | fiscal year begins in January. | Year 2012 | | | Year 2013 | Year 2014 | |
|-------|---|-----------|-------------|----------|---------------|-----------------|-------------|
| | Patients | (| 52,870 | | 51,552 | | 55,154 |
| A. | Utilization Data Admissions | | | | | | |
| B. | Revenue from Services to Patients | | | | | | |
| | 1. Inpatient Services | 9 | | 9 | | | |
| | 2. Outpatient Services | - | | | | - | 00.007.000 |
| | 3. Emergency Services | | 159,976,310 | | 190,255,118 | \$ 2 | 38,697,938 |
| | 4. Other Operating Revenue | | | - | | _ | |
| | (Specify) See notes | | | | 100 055 110 | φ : | 20 607 020 |
| | Gross Operating Revenue | | 159,976,310 | | 190,255,118 | \$ 2 | 38,697,938 |
| C. | Deductions for Operating Revenue | | | | 127 627 176 | d 1 | 77 405 050 |
| | Contractual Adjustments | \$ | 113,521,167 | \$ | 137,637,176 | | 77,405,950 |
| | 2. Provision for Charity Care | \$ | 1,276,817 | \$ | 1,548,060 | \$\$ | 1,995,355 |
| | 3. Provisions for Bad Debt | \$ | 15,039,835 | \$ | 18,234,840 | | 23,503,600 |
| | Total Deductions | \$ | 129,837,819 | \$ | 157,420,076 | | 35,793,033 |
| NET | OPERATING REVENUE | \$ | 30,138,491 | \$_ | 32,835,042 | — | 33,7 33,033 |
| D. | Operating Expenses | <u> </u> | 7,022,046 | ø | 9 207 059 | \$ | 9,067,911 |
| | 1. Salaries and Wages | \$_ | 7,932,946 | | 8,397,059 | \$ | 5,007,511 |
| | 2. Physicians Salaries and Wages | \$ | 2,163,804 | \$ | 2,478,529 | \$ | 2,804,008 |
| | 3. Supplies | \$ | | \$ | 242,255 | \$ | 250,531 |
| | 4. Taxes | | 240,154 | <u> </u> | 242,200 | | 200,001 |
| | 5. Depreciation | \$ | 122,522 | \$ | 133,220 | \$ | 141,573 |
| | 6. Rent | <u> </u> | 122,322 | Ψ_ | 133,220 | - | ,,,,,,,,, |
| | 7. Interest, other than Capital | - | | _ | | - | |
| | 8. Management Fees | \$ | 1,739,913 | \$ | 2,156,981 | \$ | 2,338,795 |
| | a. Fees to Affiliates | Φ_ | 1,733,513 | | 2,100,001 | _ | 2,000,000 |
| | b. Fees to Non-Affiliates | \$ | 16,190,657 | \$ | 17,599,072 | \$ | 19,259,950 |
| | 9. Other Expenses (Specify) See notes Total Operating Expenses | \$ | 28,389,996 | \$ | 31,007,116 | \$ | |
| _ | | | 20,505,550 | _ | 0.1,00.1,00.1 | | |
| E. | Other Revenue (Expenses) Net (Specify) | \$ | 1,748,495 | \$ | 1,827,926 | \$ | 1,930,264 |
| | OPERATING INCOME (LOSS) | | 1,7 10,100 | | | | |
| F. | Capital Expenditures 1. Retirement of Principal | | | | | | |
| | | | | | | - | |
| | 2. Interest Total Capital Expenditures | \$ | | \$ | <u> </u> | \$ | / <u>@</u> |
| NFT | OPERATING INCOME (LOSS) | | | | | 10- | |
| | S CAPITAL EXPENDITURES | \$ | 1,748,495 | \$ | 1,827,926 | \$ | 1,930,264 |

Notes for Other Operating Expenses TriStar Summit Medical Center Emergency Department

| | Year 2012 | Year 2013 | | Year 2014 |
|-----------------------------|---------------------|---------------------|----|---------------|
| Employee Benefits | \$ 2,141,895.42 | \$ 2,267,205.93 | \$ | 2,448,335.97 |
| Pro Fees | \$ 1,407,949.00 | \$ 1,487,313.00 | \$ | 1,754,554.00 |
| Ancillary Clinical Services | \$ 12,055,396.40 | \$ 13,134,016.80 | \$ | 14,317,213.20 |
| Contract Services (all) | \$ 124,042.00 | \$ 129,847.00 | \$ | 164,882.00 |
| Repairs and Maintenance | \$ 461,374.00 | \$ 580,689.00 | \$ | 447,846.00 |
| Marketing | \$ ř. | \$ - | \$ | 127,119.00 |
| Total | \$ 16,190,656.82 | \$ 17,599,071.73 | \$ | 19,259,950.17 |

PROJECTED DATA CHART -- SUMMIT MEDICAL CENTER SATELLITE ED

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in January.

| 1110 | 11300 | ar year begins in sandary. | | | Year 2017 | | Year 2018 |
|------|-------|------------------------------|---------------------------|---|------------|------|------------|
| | | | Patients | | 10,132 | | 10,639 |
| В. | Rev | enue from Services to Patie | nts | | | | |
| | 1. | Inpatient Services | | | | | |
| | 2. | Outpatient Services | | | | | |
| | 3. | Emergency Services | | \$ | 46,963,051 | \$ | 49,681,409 |
| | 4. | Other Operating Revenue | | fl: | | | |
| | | (Specify) See notes | | *************************************** | | " | |
| | | | Gross Operating Revenue | \$_ | 46,963,051 | \$ | 49,681,409 |
| C. | Ded | luctions for Operating Reven | ue | 17. | | | |
| | 1. | Contractual Adjustments | | \$_ | 35,163,519 | \$_ | 37,127,422 |
| | 2. | Provision for Charity Care | | \$ | 395,498 | \$ | 417,587 |
| | 3. | Provisions for Bad Debt | | \$ | 4,658,633 | _\$_ | 4,918,821 |
| | | | Total Deductions | \$ | 40,217,650 | \$ | 40,217,650 |
| NET | OPE | RATING REVENUE | | \$_ | 6,745,401 | \$_ | 7,217,579 |
| D. | Оре | erating Expenses | | | | | |
| | 1, | Salaries and Wages | | \$_ | 2,698,000 | _\$ | 2,778,940 |
| | 2, | Physicians Salaries and Wag | ges | | | | |
| | 3. | Supplies | | _\$ | 515,107 | \$_ | 540,883 |
| | 4. | Taxes | | \$_ | 46,024 | \$ | 48,327 |
| | 5. | Depreciation | | | | | - |
| | 6. | Rent | | \$ | 26,007 | \$ | 27,309 |
| | 7., | Interest, other than Capital | I | | | | |
| | 8. | Management Fees | | \$ | 389,416 | \$_ | 474,133 |
| | | a. Fees to Affiliates | | | | | |
| | | b. Fees to Non-Affiliates | | | | | |
| | 9. | Other Expenses (Specify) | See notes | \$ | 3,035,598 | \$ | 3,233,187 |
| | | Т | otal Operating Expenses | \$_ | 6,710,152 | \$ | 7,102,778 |
| E. | Oth | er Revenue (Expenses) Ne | et (Specify) | | | | |
| NET | OPE | RATING INCOME (LOSS) | | \$_ | 35,249 | \$_ | 114,801 |
| F. | Сар | ital Expenditures | | | | | |
| | 1. | Retirement of Principal | | | | | |
| | 2. | Interest | | | | | |
| | | To | otal Capital Expenditures | \$_ | - | \$_ | 40. |
| NET | OPE | RATING INCOME (LOSS) | | | | | |
| LES | S CA | PITAL EXPENDITURES | | | 35,249 | | 114,801 |

Notes for Other Operating Expenses Projected Data Chart--TriStar Summit Medical Center Satellite ED at Mt. Juliet

| | Year 2017 | Year 2018 |
|-----------------------------|--------------------|--------------------|
| Employee Benefits | \$ 620,540.00 | \$ 639,156.20 |
| Pro Fees | \$ 276,717.47 | \$ 286,897.11 |
| Ancillary Clinical Services | \$ 2,023,620.30 | \$ 2,165,273.72 |
| Contract Services (all) | \$ 24,042.00 | \$ 29,847.00 |
| Repairs and Maintenance | \$ 90,678.18 | \$ 112,012.73 |
| Marketing | \$ - | \$ - |
| Total | \$ 3,035,597.95 | \$ 3,233,186.76 |

PROJECTED DATA CHART -- SUMMIT MEDICAL CENTER ED

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in January.

| 1110 | nisear year begins in sandary. | | Year 2017 | Year 2018 |
|------|---------------------------------------|---|--------------|----------------|
| | P | atients | 58,445 | 60,117 |
| В. | Revenue from Services to Patients | | | |
| | 1. Inpatient Services | ·- | | |
| | 2. Outpatient Services | | | |
| | 3. Emergency Services | \$\$_ | 271,682,952 | \$ 280,730,771 |
| | 4. Other Operating Revenue | \$ | - | \$ |
| | (Specify) See notes | \$\$_ | ë | \$ - |
| | Gross Oper | rating Revenue\$_ | 271,682,952 | \$ 280,730,771 |
| C. | Deductions for Operating Revenue | | - | \$ = |
| | 1. Contractual Adjustments | | 204,378,510 | \$ 211,340,511 |
| | 2. Provision for Charity Care | \$ | 2,298,726 | \$ 2,377,030 |
| | 3. Provisions for Bad Debt | \$_ | 27,077,056 | \$ 27,999,416 |
| | То | tal Deductions \$ | 233,754,291 | \$ 241,716,957 |
| NET | OPERATING REVENUE | | 37,928,660 | \$ 39,013,814 |
| D. | Operating Expenses | | | |
| | 1. Salaries and Wages | | 9,608,957 | \$ 9,883,873 |
| | 2. Physicians Salaries and Wages | | 3 | \$ - |
| | 3. Supplies | | 2,971,312 | \$ 3,056,322 |
| | 4. Taxes | | 265,479 | \$ 273,075 |
| | 5. Depreciation | | | \$ - |
| | 6. Rent | | 150,020 | \$ 154,312 |
| | 7. Interest, other than Capital | | <u> </u> | \$ - |
| | 8. Management Fees | \$ | | \$ - |
| | a. Fees to Affiliates | \$\$_ | 2,478,342 | \$ 2,549,248 |
| | b. Fees to Non-Affiliates | | | \$ 1-1 |
| | 9. Other Expenses (Specify) See note | | 20,121,585 | \$ 20,580,126 |
| | Total Opera | ating Expenses\$_ | 35,595,696 | \$ 36,496,957 |
| E. | Other Revenue (Expenses) Net (Specify | · · | | \$ - |
| NET | OPERATING INCOME (LOSS) | \$ | 2,332,964 | \$ 2,516,857 |
| F. | Capital Expenditures | <u> \$ </u> | | \$ - |
| | 1. Retirement of Principal | \$ | <u> </u> | \$ 2= |
| | 2. Interest | | | \$ |
| | Total Capita | al Expenditures \$ | | \$ - |
| NET | OPERATING INCOME (LOSS) | \$ | = | \$ |
| LES | S CAPITAL EXPENDITURES | \$_ | 2,332,964 | \$ 2,516,857 |

Notes for Other Operating Expenses TrlStar Summit Medical Center Emergency Department (Main Campus)

| | Year 1 | | | Year 2 |
|-----------------------------|--------|---------------|----|---------------|
| Employee Benefits | \$ | 2,594,418.40 | \$ | 2,668,645.70 |
| Pro Fees | \$ | 1,596,200.43 | \$ | 1,621,146.56 |
| Ancillary Clinical Services | \$ | 15,267,276.94 | \$ | 15,515,861.03 |
| Contract Services (all) | \$ | 140,627.18 | \$ | 141,531.08 |
| Repairs and Maintenance | \$ | 523,062.54 | \$ | 632,941.40 |
| Marketing | \$ | - | \$ | - |
| Total | \$ | 20,121,585.48 | \$ | 20,580,125.79 |

PROJECTED DATA CHART -- SUMMIT MEDICAL CENTER CONSOLIDATED ED (MAIN CAMPUS AND SATELLITE ED'S)

Give information for the two (2) years following the completion of this proposal.

The fiscal year begins in January.

| | | | | Year 2017 | | Year 2018 |
|-----|------|-------------------------------------|------|-------------------|------|----------------|
| A. | Util | ization Data Admissions | | 68,577 | | 70,756 |
| В. | Rev | venue from Services to Patients | | | | |
| | 1. | Inpatient Services | \$ | :i=: | \$ | .87 |
| | 2. | Outpatient Services | \$ | 7.5 | \$ | |
| | 3. | Emergency Services | \$ | 318,646,003 | \$ | 330,412,180 |
| | 4. | Other Operating Revenue | \$ | · · · | \$ | #J |
| | | (Specify) See notes | | | | × |
| | | Gross Operating Revenue | \$ | 318,646,003 | \$ | 330,412,180 |
| C. | Dec | luctions for Operating Revenue | | | | |
| | 1. | Contractual Adjustments | \$\$ | 239,542,028 | \$_ | 248,467,934 |
| | 2. | Provision for Charity Care | \$_ | 2,694,224 | \$ | 2,794,617 |
| | 3. | Provisions for Bad Debt | \$ | 31,735,689 | \$ | 32,918,236 |
| | | Total Deductions | _\$_ | 273,971,942 | \$ | 281,934,607 |
| NET | OPE | RATING REVENUE | \$ | 44,674,061 | \$ | 46,231,393 |
| D. | Оре | erating Expenses | | | | |
| | 1. | Salaries and Wages | \$\$ | 12,306,957 | \$ | 12,662,813 |
| | 2. | Physicians Salaries and Wages | \$_ | ; e ; | \$\$ | |
| | 3. | Supplies | _\$ | 3,486,419 | \$_ | 3,597,205 |
| | 4. | Taxes | \$ | 311,503 | \$ | 321,402 |
| | 5. | Depreciation | _\$_ | ₹ # / | \$ | 20 |
| | 6. | Rent | \$ | 176,028 | \$ | 181,621 |
| | 7. | Interest, other than Capital | \$ | (≖: | \$ | = |
| | 8. | Management Fees | | | | 100 |
| | | a. Fees to Affiliates | \$ | 2,478,342 | \$ | 2,549,248 |
| | | b. Fees to Non-Affiliates | \$ | • | _\$_ | Ę. |
| | 9. | Other Expenses (Specify) See notes | \$_ | 23,157,183 | \$_ | 23,813,313 |
| | | Total Operating Expenses | \$ | 42,305,848 | _\$_ | 43,599,735 |
| E. | Oth | er Revenue (Expenses) Net (Specify) | \$ | (*) | \$_ | |
| NET | OPE | RATING INCOME (LOSS) | \$ | 2,368,213 | \$ | 2,631,658 |
| F. | Cap | ital Expenditures | | | | |
| | 1. | Retirement of Principal | \$ | 30 | \$ | |
| | 2. | Interest | \$ | (20) | \$ | (* |
| | | Total Capital Expenditures | \$ | ; =); | \$ | 344 |
| NET | OPE | RATING INCOME (LOSS) | | | | |
| LES | S CA | PITAL EXPENDITURES | | 2,368,213 | \$ | 2,631,658 |

Notes for Other Operating Expenses TriStar Summit Medical Center Consolidated Emergency Department

| | Year 1 | | Year 2 |
|-----------------------------|---------------------|----|---------------|
| Employee Benefits | \$ 3,214,958.40 | \$ | 3,307,801.90 |
| Pro Fees | \$ 1,872,917.90 | \$ | 1,908,043.67 |
| Ancillary Clinical Services | \$ 17,290,897.24 | \$ | 17,681,134.75 |
| Contract Services (all) | \$ 164,669.18 | \$ | 171,378.08 |
| Repairs and Maintenance | \$ 613,740.71 | \$ | 744,954.14 |
| Marketing | \$ - | \$ | - |
| Total | \$ 23,157,183.43 | \$ | 23,813,312.55 |

C(II).5. PLEASE IDENTIFY THE PROJECT'S AVERAGE GROSS CHARGE, AVERAGE DEDUCTION FROM OPERATING REVENUE, AND AVERAGE NET CHARGE.

| Table Thirteen-A: TriStar Summit Emergency Department Average Charge Data for Satellite Facility | | | | |
|--|---------|---------|--|--|
| | CY2017 | CY2018 | | |
| Visits | 10,132 | 10,639 | | |
| Average Gross Charge | \$4,635 | \$4,670 | | |
| Average Deduction from Operating Revenue | \$3,969 | \$3,780 | | |
| Average Net Operating Revenue | \$666 | \$678 | | |
| Average Net Operating Income | \$3 | \$11 | | |

| Table Thirteen-B: TriStar Summit Emergency Department Average Charge Data for Consolidated Facility | | | | |
|---|---------|---------|--|--|
| <u> </u> | CY2017 | CY2018 | | |
| Visits | 68,577 | 70,756 | | |
| Average Gross Charge | \$4,647 | \$4,670 | | |
| Average Deduction from Operating Revenue | \$3,995 | \$3,985 | | |
| Average Net Operating Revenue | \$651 | \$685 | | |
| Average Net Operating Income | \$35 | \$37 | | |

C(II).6.A. PLEASE PROVIDE THE CURRENT AND PROPOSED CHARGE SCHEDULES FOR THE PROPOSAL. DISCUSS ANY ADJUSTMENT TO CURRENT CHARGES THAT WILL RESULT FROM THE IMPLEMENTATION OF THE PROPOSAL. ADDITIONALLY, DESCRIBE THE ANTICIPATED REVENUE FROM THE PROPOSED PROJECT AND THE IMPACT ON EXISTING PATIENT CHARGES.

Table Fifteen in the response to question C(II) 6.B below provides the hospital's current average gross charges by level of care (5 = highest acuity and most resource-intensive patients). It provides current Medicare reimbursement by level of care. It projects the Years One and Two charges by level of care, for the proposed Mount Juliet satellite ED. The consolidated projection for the main campus and satellite EDs is that together they will maintain a positive operating margin and will have no adverse impact on the hospital's other charges.

C(II).6.B. COMPARE THE PROPOSED CHARGES TO THOSE OF SIMILAR FACILITIES IN THE SERVICE AREA/ADJOINING SERVICE AREAS, OR TO PROPOSED CHARGES OF PROJECTS RECENTLY APPROVED BY THE HSDA. IF APPLICABLE, COMPARE THE PROJECTED CHARGES OF THE PROJECT TO THE CURRENT MEDICARE ALLOWABLE FEE SCHEDULE BY COMMON PROCEDURE TERMINOLOGY (CPT) CODE(S).

The projected average gross charge for this project in CY2017 is \$3,684 in the Projected Data Chart. Table Seventeen below compares Tennessee Hospital Association data for service area hospitals' current average ED gross charges per "case". "Per Case" is a different statistic; but THA has the only available charge data with which to compare this project's proposed charges to actual current charges of other hospitals.

Four of the six hospitals above TriStar Summit (lines G1 and G2) are tertiary referral centers; two are community hospitals.

Table Fifteen on the following page shows this project's levels of care, with their current average and projected gross charges, and current Medicare reimbursement.

| Table Fourteen: TriStar Summit Medical Center Emergency Department Proposed Satellite ED Gross Charge Per Visit Compared to Other Area Providers | | | |
|--|-----------------------------------|--|--|
| Hospital Emergency Departments in Davidson and Williamson Counties | Average Gross Charge Per Visit | | |
| | \$13,302 | | |
| A in CY2014 B in CY2014 | \$12,847 | | |
| C in CY2014 | \$12,075 | | |
| D in CY2014 | \$11,326 | | |
| E in CY2014 | \$9,680 | | |
| F in CY2014 | \$7,796 | | |
| G (1) TriStar Summit Medical Center ED in CY2014 | \$4,328 | | |
| G (2) TriStar Summit Medical Center ED in CY2017 | \$4,647 | | |
| H in CY2014 | \$5,223 | | |
| I in CY2014 | \$4,720 | | |
| J in CY2014 | \$3,239 | | |

Source: THA Databasek Q1-Q2 2014 and Summit Medical Center projection.

| Table Fifteen: Summit Medical Center Emergency Department Current and Projected Gross Charge by Level of Care (Main and Satellite) | | | | | | |
|---|----------------|---------------------------------------|---------------------------|--------------------------------------|--------------------------------------|--|
| Level of Care | CPT Code | 2015 YTD Medicare Reimbursement | 2015 Current Charge | Year One 2017 Projected Charge | Year Two 2018 Projected Charge | |
| Level One | 99281 | \$41 | \$350 | \$441 | \$476 | |
| Level Two | 99282 | \$177 | \$1,501 | \$1,891 | \$2,042 | |
| Level Three | 99283 | \$227 | \$2,609 | \$3,287 | \$3,550 | |
| Level Four Level Five (Highest Acuity) | 99284 99285 | \$570 \$5,719 | \$9,309 \$42,784 | \$11,729 \$53,907 | \$12,667 \$58,220 | |

Source: Hospital Management

C(II).7. DISCUSS HOW PROJECTED UTILIZATION RATES WILL BE SUFFICIENT TO MAINTAIN COST-EFFECTIVENESS.

The proposed satellite ED will have the same charge structure as the main ED. It will have a positive cash flow its first two years and thereafter. The two departments consolidated will operate with a positive financial margin and will have a positive cash flow.

C(II).8. DISCUSS HOW FINANCIAL VIABILITY WILL BE ENSURED WITHIN TWO YEARS; AND DEMONSTRATE THE AVAILABILITY OF SUFFICIENT CASH FLOW UNTIL FINANCIAL VIABILITY IS MAINTAINED.

The proposed satellite ED will have a positive operating margin on the HSDA Projected Data Chart; it will have a small positive cash flow. More important, it is part of a larger Emergency Department, whose consolidated financial performance is shown in a second Projected Data Chart that documents financial viability in both Years One and Two.

C(II).9. DISCUSS THE PROJECT'S PARTICIPATION IN STATE AND FEDERAL REVENUE PROGRAMS, INCLUDING A DESCRIPTION OF THE EXTENT TO WHICH MEDICARE, TENNCARE/MEDICAID, AND MEDICALLY INDIGENT PATIENTS WILL BE SERVED BY THE PROJECT. IN ADDITION, REPORT THE ESTIMATED DOLLAR AMOUNT OF REVENUE AND PERCENTAGE OF TOTAL PROJECT REVENUE ANTICIPATED FROM EACH OF TENNCARE, MEDICARE, OR OTHER STATE AND FEDERAL SOURCES FOR THE PROPOSAL'S FIRST YEAR OF OPERATION.

This project, like all emergency rooms in Tennessee, are subject to the Federal EMTALA law, that requires the provision of clinically appropriate emergency medical care to every patient presenting, regardless of ability to pay. So there will be complete accessibility for all of the above groups. Table Sixteen below provides projected payor mix data.

| | Гable Sixteen: | | nmit Satellite E l Projected Pay | | Department | |
|-----------------|--|---------------------------------------|--|---|---|---|
| Payor Source | Main ED Gross Operat'g Revenue \$ 2014 | As a % of Gross Operat'g Revenue 2014 | Main ED Gross Operat'g Revenue \$ Year 1 | As a % of Gross Operat'g Revenue Year 1 | Satellite ED Gross Operat'g Revenue \$ Year 1 | As a % of Gross Operat'g Revenue |
| Medicare | \$88,957,688 | 37.3% | \$101,250,507 | 37.3% | \$17,502,139 | 37.3% |
| TennCare | \$17,854,803 | 7.5% | \$20,322,109 | 7.5% | \$3,512,875 | 7.5% |
| Managed Care | \$124,482,372 | 52.2% | \$141,684,250 | 52.2% | \$24,491,506 | 52.2% |
| Commercial | \$896,192 | 0.4% | \$1,020,035 | 0.4% | \$176,323 | 0.4% |
| Self-Pay | \$6,506,883 | 2.7% | \$7,406,051 | 2.7% | \$1,280,208 | 2.7% |
| Total | \$238,697,938 | 100.0% | \$271,682,952 | 100.0% | \$46,963,051 | 100.0% |

PROVIDE COPIES OF THE BALANCE SHEET AND INCOME C(II).10. STATEMENT FROM THE MOST RECENT REPORTING PERIOD OF THE **AUDITED** FINANCIAL MOST RECENT INSTITUTION, THE AND STATEMENTS WITH ACCOMPANYING NOTES, IF APPLICABLE. NEW PROJECTS, PROVIDE FINANCIAL INFORMATION FOR THE CORPORATION, PARTNERSHIP, OR PRINCIPAL PARTIES INVOLVED WITH THE PROJECT. COPIES MUST BE INSERTED AT THE END OF THE ORDER AND APPLICATION, IN THE CORRECT ALPHANUMERIC LABELED AS ATTACHMENT C, ECONOMIC FEASIBILITY--10.

These are provided as Attachment C, Economic Feasibility--10.

C(II)11. DESCRIBE ALL ALTERNATIVES TO THIS PROJECT WHICH WERE CONSIDERED AND DISCUSS THE ADVANTAGES AND DISADVANTAGES OF EACH ALTERNATIVE, INCLUDING BUT NOT LIMITED TO:

A. A DISCUSSSION REGARDING THE AVAILABILITY OF LESS COSTLY, MORE EFFECTIVE, AND/OR MORE EFFICIENT ALTERNATIVE METHODS OF PROVIDING THE BENEFITS INTENDED BY THE PROPOSAL. IF DEVELOPMENT OF SUCH ALTERNATIVES IS NOT PRACTICABLE, THE APPLICANT SHOULD JUSTIFY WHY NOT, INCLUDING REASONS AS TO WHY THEY WERE REJECTED.

B. THE APPLICANT SHOULD DOCUMENT THAT CONSIDERATION HAS BEEN GIVEN TO ALTERNATIVES TO NEW CONSTRUCTION, E.G., MODERNIZATION OR SHARING ARRANGEMENTS. IT SHOULD BE DOCUMENTED THAT SUPERIOR ALTERNATIVES HAVE BEEN IMPLEMENTED TO THE MAXIMUM EXTENT PRACTICABLE.

The alternatives to this project were (a) to not expand TriStar Summit's emergency room capacity; (b) to expand it at the Hermitage campus; and (c) to expand it through a satellite facility within its primary service area for ED services.

Option (a) was rejected because TriStar Summit Medical Center is the only acute care hospital resource on I-40 between downtown Nashville and the city of Lebanon in Wilson County. Summit's role in this healthcare system is to provide necessary care to its suburban service area, which includes western Wilson County. No care is more timesensitive than emergency care. To meet area needs for emergency care delivered in a timely manner, Summit must add treatment rooms at some location to avoid lengthening future wait times for service within its very heavily utilized Emergency Department.

Expansion option (c) was chosen in order to improve drive time access to residents of three Wilson County zip codes that are within Summit's primary service area for emergency services--which collectively contribute more ED visits to Summit than does Summit's own home zip code (Hermitage).

Expansion option (b) remains an option for future years, depending on future utilization of the main ED and the Mount Juliet satellite ED. Staging a major expansion of a heavily utilized 24-hour hospital ED is possible; Summit completed such a project several years ago. However, it is always a complex, costly, and disruptive process; and it is not preferable to option (c) at this point in time, because It would not provide the hospital's Wilson County patients with improved drive time access to emergency care.

C(III).1. LIST ALL EXISTING HEALTH CARE PROVIDERS (I.E., HOSPITALS, NURSING HOMES, HOME CARE ORGANIZATIONS, ETC.) MANAGED CARE ORGANIZATIONS, ALLIANCES, AND/OR NETWORKS WITH WHICH THE APPLICANT CURRENTLY HAS OR PLANS TO HAVE CONTRACTUAL AND/OR WORKING RELATIONSHIPS, E.G., TRANSFER AGREEMENTS, CONTRACTUAL AGREEMENTS FOR HEALTH SERVICES.

TriStar Summit Medical Center is in the TriStar Health group of HCA hospitals and surgery centers in Tennessee and Kentucky.

The hospital frequently discharges inpatients to the following nursing homes, hospices, and home health agencies.

Skilled Nursing- McKendree, Mt. Juliet Healthcare, Donelson Place, Lebanon Health and Rehabilitation

Hospice- Alive Hospice, Odyssey, Avalon, Asera Care

Home Health-Suncrest, Gentevia, and Amedysis Home Health Care of Middle

Home Infusion- Walgreens, IV Solutions, Coram

DME- Medical Necessities, At Home Medical, Apria, All-Star

C(III).2. DESCRIBE THE POSITIVE AND/OR NEGATIVE EFFECTS OF THE PROPOSAL ON THE HEALTH CARE SYSTEM. PLEASE BE SURE TO DISCUSS ANY INSTANCES OF DUPLICATION OR COMPETITION ARISING FROM YOUR PROPOSAL, INCLUDING A DESCRIPTION OF THE EFFECT THE PROPOSAL WILL HAVE ON THE UTILIZATION RATES OF EXISTING PROVIDERS IN THE SERVICE AREA OF THE PROJECT.

The positive impacts of the project have been discussed in Section B.II.D of the application ("Need"). TriStar Summit Medical Center's primary service area has always included Western Wilson County. Currently almost one-fourth of Summit's ED visits come from the three Wilson County zip codes to be served by this project. Summit's ED is very highly utilized and needs more treatment room capacity to meet community needs. The most beneficial location for that capacity is at a satellite location in Wilson County, which will reduce drive times for thousands of ED patients annually.

The utilization impact of the project on other providers will be small, and will fall primarily on other TriStar hospitals in Davidson County. They received 14,918 visits from this project service area's three zip codes in CY2014. Projecting a 5% annual increase of that amount, Summit expects those TriStar hospitals to have 17,269 visits from the three zip codes in CY2017, without this proposed satellite project. A recapture rate of 50% of those visits is projected, for a total of 8,635 visits. That shifting from TriStar hospitals to the satellite will provide 85.2% of the satellite's CY 2017 visits.

The remaining 1,198 visits at the satellite (14.8% of its total visits) would be shifted from many other hospitals. None would be significantly impacted. Allocation of the 1,198 remaining visits among area hospitals, based on their current market share within these zip codes, suggests the following impacts:

| Table Seventeen: Projected Im | pact of Project on Area I Facilities | Hospitals Other Tha | n TriStar |
|--------------------------------|--|---|-------------------|
| Hospital | Projected ED Visits Shifted to Mt. Juliet Satellite ED | Total ED Visits to This Hospital (2013 JAR) | Percent Impact |
| University Medical Center | 970 | 28,491 | 3.4% |
| Vanderbilt Medical Center | 146 | 128,136 | 0.1% |
| Saint Thomas Midtown (Baptist0 | 30 | 51,643 | 0.06% |
| Saint Thomas West | 26 | 33,400 | 0.08% |
| Sumner Regional Medical Center | 26 | 38,596 | 0.07% |
| Total Group | 1,198 | 280,266 | 0.4% |

Source: 2013 Joint Annual Reports; visit shifts from hospital management.

C(III).3. PROVIDE THE CURRENT AND/OR ANTICIPATED STAFFING PATTERN FOR ALL EMPLOYEES PROVIDING PATIENT CARE FOR THE PROJECT. THIS CAN BE REPORTED USING FTE'S FOR THESE POSITIONS. IN ADDITION, PLEASE COMPARE THE CLINICAL STAFF SALARIES IN THE PROPOSAL TO PREVAILING WAGE PATTERNS IN THE SERVICE AREA AS PUBLISHED BY THE TENNESSEE DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT AND/OR OTHER DOCUMENTED SOURCES.

Table Eighteen below indicates the most recent annual salary information for employees of this project, as surveyed by the Department of Labor and Workforce Development.

| Table Eighteen: TDOL Surve | eyed Average Sal | aries for the Reg | gion2015 |
|---------------------------------|------------------|-------------------|----------|
| Position | 25% | Median | Mean |
| Registered Nurse (not surveyed) | | 200 | |
| Radiology Technologist | \$42,017 | \$50,688 | \$60,524 |
| Lab Technologist | \$51,141 | \$58,998 | \$69,273 |
| Respiratory Technologist | \$31,634 | \$38,739 | \$55,696 |

Please see the following page for Table Nineteen, for projected FTE's and salary ranges at the Mount Juliet satellite ED.

Table Nineteen: TriStar Summit Medical Center Main Campus and Satellite Emergency Departments Projected Staffing Requirements

| | Current | Year On | e FTE's ((| CY2017) | Year Tw | o FTE's (C | CY2018) | |
|-------------------------|---------|----------|------------|---------|----------|------------|---------|-----------------------------------|
| Position Type | FTE's | Hospital | Satellite | Total | Hospital | Satellite | Total | Annual Salary Range (Min-Max)) |
| Director | 1.0 | 1.0 | | 1.0 | 1.0 | | 1.0 | \$95,805-\$117,811 |
| RN Coordinator | 2.0 | | | 3.0 | | | 3.0 | \$57,346-\$86,029 |
| RN | 47.3 | | 9.2 | 56.5 | 47.3 | 9.2 | 56.5 | \$40,760-\$67,580 |
| Nurse Tech/Secretary | 13.8 | 13.8 | 6.9 | 20.7 | 13.8 | 6.9 | 20.7 | \$22,400-\$31,366 |
| X-Ray/CT Tech | 9.2 | 9.2 | 4.6 | 13.8 | 9.2 | 4.6 | 13.8 | \$47,195-\$68,453 |
| Lab Tech | 4.6 | 4.6 | 4.6 | 9.2 | 4.6 | 4.6 | 9.2 | \$47,195-\$68,453 |
| CRTT (respiratory tech) | - | | | 0.0 | | | 0.0 | \$39,021-\$56,555 |
| Environmental Svc. Tech | 4.6 | 4.6 | 4.6 | 9.2 | 4.6 | 4.6 | 9.2 | \$20,800-\$35,360 |
| Armed Security Guard | 4.6 | 4.6 | 4.6 | 9.2 | 4.6 | 4.6 | 9.2 | \$23,629-\$53093 |
| Total FTE's | 87.1 | 87.1 | 35.5 | 122.6 | 87.1 | 35.5 | 122.6 | |
| l | | | | | | | | |

C(III).4. DISCUSS THE AVAILABILITY OF AND ACCESSIBILITY TO HUMAN RESOURCES REQUIRED BY THE PROPOSAL, INCLUDING ADEQUATE PROFESSIONAL STAFF, AS PER THE DEPARTMENT OF HEALTH, THE DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, AND/OR THE DIVISION OF MENTAL RETARDATION SERVICES LICENSING REQUIREMENTS.

In Middle Tennessee, HCA operates several hospitals and two freestanding ED's similar to this project. The applicant and its parent HCA understand the staffing requirements for this type of facility, and the recruitment processes that will identify superior candidates for these professional positions. In its Emergency Departments, HCA is assisted by a contract partner (EmCare) that provides ED physicians.

C(III).5. VERIFY THAT THE APPLICANT HAS REVIEWED AND UNDERSTANDS THE LICENSING CERTIFICATION AS REQUIRED BY THE STATE OF TENNESSEE FOR MEDICAL/CLINICAL STAFF. THESE INCLUDE, WITHOUT LIMITATION, REGULATIONS CONCERNING PHYSICIAN SUPERVISION, CREDENTIALING, ADMISSIONS PRIVILEGES, QUALITY ASSURANCE POLICIES AND PROGRAMS, UTILIZATION REVIEW PPOLICIES AND PROGRAMS, RECORD KEEPING, AND STAFF EDUCATION.

The applicant so verifies.

C(III).6. DISCUSS YOUR HEALTH CARE INSTITUTION'S PARTICIPATION IN THE TRAINING OF STUDENTS IN THE AREAS OF MEDICINE, NURSING, SOCIAL WORK, ETC. (I.E., INTERNSHIPS, RESIDENCIES, ETC.).

TriStar Summit Medical Center is a clinical rotation site for numerous students in the health professions. The colleges/universities with which Summit has student affiliation agreements include:

- Austin Peay State University
- Belmont
- Bethel
- Breckinridge
- Columbia State Community College
- Cumberland University
- East Tennessee State University
- Fortis Institute
- Lipscomb University
- Miller-Motte
- Middle Tennessee School of Anesthesia
- Middle Tennessee State University
- Southeastern Institute
- Tennessee State University
- Tennessee Tech Center @ Murfreesboro
- Trevecca University
- Union University
- Vanderbilt University
- Volunteer State Community College

In CY2014, Summit Medical Center served as a training rotation site for numerous students from these schools, in the following disciplines and programs:

Nursing; EMT/Paramedic; CRNA's; Pharmacy; NutritioN; Respiratory Therapy; Medical Imaging; Physician's Assistant; Physical Therapy; Surgery; and Radiation Oncology.

C(III).7(a). PLEASE VERIFY, AS APPLICABLE, THAT THE APPLICANT HAS REVIEWED AND UNDERSTANDS THE LICENSURE REQUIREMENTS OF THE DEPARTMENT OF HEALTH, THE DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, THE DIVISION OF MENTAL RETARDATION SERVICES, AND/OR ANY APPLICABLE MEDICARE REQUIREMENTS.

The applicant so verifies.

C(III).7(b). PROVIDE THE NAME OF THE ENTITY FROM WHICH THE APPLICANT HAS RECEIVED OR WILL RECEIVE LICENSURE, CERTIFICATION, AND/OR ACCREDITATION

LICENSURE:

Board for Licensure of Healthcare Facilities

Tennessee Department of Health

CERTIFICATION:

Medicare Certification from CMS

TennCare Certification from TDH

ACCREDITATION: Joint Commission

C(III).7(c). IF AN EXISTING INSTITUTION, PLEASE DESCRIBE THE CURRENT STANDING WITH ANY LICENSING, CERTIFYING, OR ACCREDITING AGENCY OR AGENCY.

The applicant is currently licensed in good standing by the Board for Licensing Health Care Facilities, certified for participation in Medicare and Medicaid/TennCare, and fully accredited by the Joint Commission.

C(III).7(d). FOR EXISTING LICENSED PROVIDERS, DOCUMENT THAT ALL DEFICIENCIES (IF ANY) CITED IN THE LAST LICENSURE CERTIFICATION AND INSPECTION HAVE BEEN ADDRESSED THROUGH AN APPROVED PLAN OF CORRECTION. PLEASE INCLUDE A COPY OF THE MOST RECENT LICENSURE/CERTIFICATION INSPECTION WITH AN APPROVED PLAN OF CORRECTION.

They have been addressed. A copy of the most recent licensure inspection and plan of correction, and/or the most recent accreditation inspection, are provided in Attachment C, Orderly Development--7(C).

C(III)8. DOCUMENT AND EXPLAIN ANY FINAL ORDERS OR JUDGMENTS ENTERED IN ANY STATE OR COUNTRY BY A LICENSING AGENCY OR COURT AGAINST PROFESSIONAL LICENSES HELD BY THE APPLICANT OR ANY ENTITIES OR PERSONS WITH MORE THAN A 5% OWNERSHIP INTEREST IN THE APPLICANT. SUCH INFORMATION IS TO BE PROVIDED FOR LICENSES REGARDLESS OF WHETHER SUCH LICENSE IS CURRENTLY HELD.

None.

C(III)9. IDENTIFY AND EXPLAIN ANY FINAL CIVIL OR CRIMINAL JUDGMENTS FOR FRAUD OR THEFT AGAINST ANY PERSON OR ENTITY WITH MORE THAN A 5% OWNERSHIP INTEREST IN THE PROJECT.

None.

C(III)10. IF THE PROPOSAL IS APPROVED, PLEASE DISCUSS WHETHER THE APPLICANT WILL PROVIDE THE THSDA AND/OR THE REVIEWING AGENCY INFORMATION CONCERNING THE NUMBER OF PATIENTS TREATED, THE NUMBER AND TYPE OF PROCEDURES PERFORMED, AND OTHER DATA AS REQUIRED.

Yes. The applicant will provide the requested data consistent with Federal HIPAA requirements.

PROOF OF PUBLICATION

Attached.

DEVELOPMENT SCHEDULE

1. PLEASE COMPLETE THE PROJECT COMPLETION FORECAST CHART ON THE NEXT PAGE. IF THE PROJECT WILL BE COMPLETED IN MULTIPLE PHASES, PLEASE IDENTIFY THE ANTICIPATED COMPLETION DATE FOR EACH PHASE.

The Project Completion Forecast Chart is provided after this page.

2. IF THE RESPONSE TO THE PRECEDING QUESTION INDICATES THAT THE APPLICANT DOES NOT ANTICIPATE COMPLETING THE PROJECT WITHIN THE PERIOD OF VALIDITY AS DEFINED IN THE PRECEDING PARAGRAPH, PLEASE STATE BELOW ANY REQUEST FOR AN EXTENDED SCHEDULE AND DOCUMENT THE "GOOD CAUSE" FOR SUCH AN EXTENSION.

Not applicable. The applicant anticipates completing the project within the period of validity.

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision Date, as published in Rule 68-11-1609(c):

November 18, 2015

Assuming the CON decision becomes the final Agency action on that date, indicate the number of days <u>from the above agency decision date</u> to each phase of the completion forecast.

| PHASE | DAYS REQUIRED | Anticipated Date (MONTH/YEAR) |
|--|------------------|-------------------------------|
| 1. Architectural & engineering contract signed | 12 | 12-15 |
| 2. Construction documents approved by TDH | 42 | 2-16 |
| 3. Construction contract signed | 56 | 2-16 |
| 4. Building permit secured | 59 | 2-16 |
| 5. Site preparation completed | 87 | 4-16 |
| 6. Building construction commenced | 102 | 5-16 |
| 7. Construction 40% complete | 192 | 8-16 |
| 8. Construction 80% complete | 252 | 10-16 |
| 9. Construction 100% complete | 312 | 12-16 |
| 10. * Issuance of license | 326 | 12-16 |
| 11. *Initiation of service | 340 | 1-17 |
| 12. Final architectural certification of payment | 400 | 3-17 |
| 13. Final Project Report Form (HF0055) | 460 | 5-17 |

^{*} For projects that do NOT involve construction or renovation: please complete items 10-11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to r0eflect the actual issue date.

INDEX OF ATTACHMENTS

A.4 Ownership--Legal Entity and Organization Chart (if applicable)

A.6 Site Control

B.II.A. Square Footage and Costs Per Square Footage Chart

B.III. Plot Plan

B.IV. Floor Plan

C, Need--3 Service Area Maps

C, Economic Feasibility--1 Documentation of Construction Cost Estimate

C, Economic Feasibility--2 Documentation of Availability of Funding

C, Economic Feasibility--10 Financial Statements

C, Orderly Development--7(C) Licensing & Accreditation Inspections

Miscellaneous Information

Support Letters

A.4--Ownership Legal Entity and Organization Chart

Board for Aicensing Health Care Facilities

State of The Termessee

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of Beds

DEPARTIMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to

| | NOA NEALTH SERVICES OF TENNESSEE, INC. | w white and maintain a |
|------------------|---|--|
| Hospital | TRISTAR SUMMIT MEDICAL CENTER | 1/ |
| Located at | 5655 FRIST BOULEVARD, HERMITAGE | |
| County of | DAVIDSON , Gennessee. | |
| This | This license shall expire APRIL 20 | 2016 and its subject. |
| to the provisio. | to the recorsions of Chater 11. Tennessee Code Amedated Ali Grant Roll met by mit by the post | The state of the s |

laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder. and shall be subject to revocation at any time by the State Department of Flealth, for failure to comply with the In Witness Mercof, we have hereunto set our hand and seal of the State this 20TH day of APRIL In the Distinct Category (148) of: PEDIATRIC BASIC HOSPITAL



By DIRECTOR DIVISION OF HEALTH CADE EACH ITTES

DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

Supering the supering of the supering supering

TriStar Summit Medical Center

Hermitage, TN

has been Accredited by



The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the

Hospital Accreditation Program

May 23, 2015

Accreditation is customarily valid for up to 36 months.

Rebeced J. Patchin, MD

Chair, Board of Commissioners

Print/Reprint Date: 08/10/2015

Mark R. Chassin, MD, FACP, MPP, MPH

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.











Accreditations & Recognitions



American College of Surgeons Commission on Cancer



Top Performer on Key Quality Measures



The Joint Commission's Gold Seal of Approval[™] for certification as a Primary Stroke Center.



Certified Chest Pain Center



The Joint Commission's Gold Seal of Approval™ for Total Hip and Total Knee Programs.



American College of Radiology, Breast Imaging Center of Excellence



CERTIFICATE OF DISTINCTION

has been awarded to

Summit Medical Center

Hermitage, TN

in the management of

Joint Replacement - Knee



The Joint Commission

based on a review of compliance with national standards, clinical guidelines and outcomes of care.

January 22, 2015

Certification is customarily valid for up to 24 months.

Lederca Jofateker MD

Rebecca J. Patchin, MD

ID #7806

Print/Reprint Date: 01/23/2015

Mark R. Chassin, MD, FACP, MPP, MPH

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in certified organizations. Information about certified organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding certification and the certification performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.











ERITEICALE OF DISTINCTIC

has been awarded to

Summit Medical Center

Hermitage, TN

in the management of

Joint Replacement - Hip



The Joint Commission

based on a review of compliance with national standards, clinical guidelines and outcomes of care.

January 22, 2015

Certification is customarily valid for up to 24 months.

ID #7806

Print Reprint Date: 01/23/2015

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in certified organizations. Information about certified organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding certification and the certification performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.

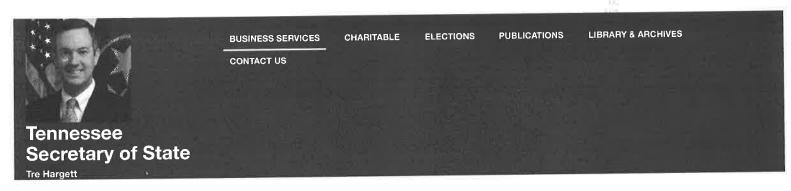












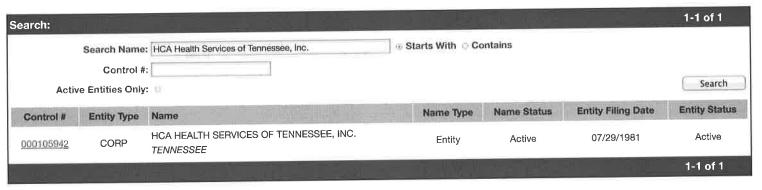
Business Services Online > Find and Update a Business Record

Online Payments will be unavailable due to maintenance on, August 21st, at 10:00 p.m., through August 22nd, 5:00 a.m. central time. We apologize for the inconvenience.

Business Information Search

As of August 12, 2015 we have processed all corporate filings received in our office through August 11, 2015 and all annual reports received in our office through August 11, 2015.

Click on the underlined control number of the entity in the search results list to proceed to the detail page. From the detail page you can verify the entity displayed is correct (review addresses and business details) and select from the available entity actions - file an annual report, obtain a certificate of existence, file an amendment, etc.



Information about individual business entities can be queried, viewed and printed using this search tool for free.

If you want to get an electronic file of all business entities in the database, the full database can be downloaded for a fee by Clicking Here.

Click Here for information on the Business Services Online Search logic.

Division of Business Services
312 Rosa L. Parks Avenue, Snodgrass
Tower, 6th Floor
Nashville, TN 37243
615-741-2286

Email | Directions | Hours and Holidays | Methods of Payment Business Filings and Information (615) 741-2286 | TNSOS.CORPINFO@tn.gov

Certified Copies and Certificate of Existence (615) 741-6488 | TNSOS.CERT@tn.gov

Motor Vehicle Temporary Liens (615) 741-0529 | TNSOS.MVTL@tn.gov

Uniform Commercial Code (UCC) (615) 741-3276 | TNSOS.UCC@tn.gov

Workers' Compensation Exemption Registrations (615) 741-0526 | TNSOS.WCER@tn.gov

Apostilles & Authentications (615) 741-0536 | TNSOS.ATS@tn.gov Summons (615) 741-1799 | TNSOS.ATS@tn.gov



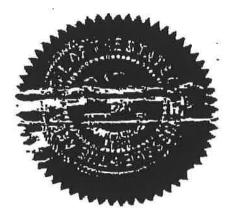
Department of State | | |

CERTIFICATE

The undersigned, as Secretary of State of the State of Tennessee, hereby certifies that the attached document was received for filing on behalf of health services of tennessee, inc.

(Name of Corporation)
was duly executed in accordance with the Tennessee General Corporation Act, was found to conform to law and was filed by the undersigned; as Secretary of State, on the date noted on the document.

THEREFORE, the undersigned, as Secretary of State, and by virtue of the authority vested in him by law, hereby issues this certificate and attaches hereto the document which was duly filed on <u>July Twenty-ninth</u>, 1981



Secretary of State

0 0 2 2 4 0 0 8 0 B

OF

HCA HEALTH SERVICES OF TENNESSEE, INC.

The undersigned natural persons, having capacity to contract and acting as the incorporators of a corporation under the Tennessee General Corporation Act, adopt the following Charter for such corporation.

- 1. The name of the corporation is HCA HEALTH SERVICES OF TENNESSEE, INC.
 - 2. The duration of the corporation is perpetual.
- 3. The address of the principal office of the corporation in the State of Tennessee shall be One Park Plaza, Nashville, County of Davidson.
 - 4. The corporation is for profit.
 - 5. The purposes for which the corporation is organized are:
- (a) To purchase, lease or otherwise acquire, to operate, and to sell, lease or otherwise dispose of hospitals, convaleneant homes, nursing homes and other institutions for the medical care and treatment of patients; to purchase, manufacture, or prepare and to sell or otherwise deal in, as principal or as agent, medical equipment or supplies; to construct, or lease, and to operate restaments, drug stores, gift shops, office buildings, and other facilities in connection with hospitals or other medical facilities owned or operated by it; to engage in any other act or acts which a corporation may perform for a lawful purpose or purposes.
- (b) To consult with owners of hospitals and all other types of health care or medically-oriented facilities or managers thereof regarding any matters related to the construction, design, ownership, staffing or operation of such facilities.
- (c) To provide consultation, advisory and management services to any business, whether corporation, trust, association, partnership, joint venture or proprietor-ship.
- 6. The maximum number of shares which the corporation shall have the authority to issue is One Thousand (1,000) shares of Common Stock, par value of \$1.00 per share.
- 7. The corporation will not commence business until the consideration of One Thousand Dollars (\$1,000) has been received for the issuance of shares.
- 8. (a) The shareholders of this corporation shall have none of the preemptive rights set forth in the Tennessee General Corporation Act.

The initial bylaws of this corporation shall be adopted by the incorporation and the initial bylaws of this corporation may be amended, repealed or adopted by a majority of the outstanding shares of capital stock.

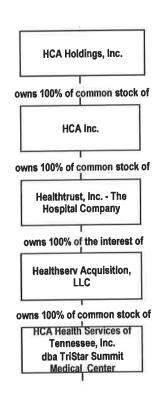
(c) This corporation shall have the right and power to purchase and hold shares of its capital stock; provided, however, that such purchase, whether direct or indirect, shall be made only to the extent of unreserved and unrestricted capital surplus.

DATED: Valy 22/98/.

Charles L. Kown

Settye D. Daugherry

Ruth B. Foster



HCA FACILITIES IN TENNESSEE DECEMBER 2014

HOSPITALS AND HOSPITAL AFFILIATES

TriStar Ashland City Medical Center 313 North Main Street Ashland City, TN 37015 615-792-3030

TriStar Centennial Medical Center 2300 Patterson Street Nashville, TN 37203 615-342-1040

Parthenon Pavilion 2401 Parman Place

Sarah Cannon Cancer Center 250 25th Ave. North

Sarah Cannon Research Institute 3522 West End Avenue

The Children's Hospital at TriStar Centennial Medical Center 222 Murphy Avenue

TriStar Centennial Emergency Room at Spring Hill 3001 Reserve Blvd. Spring Hill, TN37174

TriStar Hendersonville Medical Center 355 New Shackle Island Road Hendersonville, TN 37075 615-338-1102

> TriStar Portland Emergency Room 105 Redbud Drive Portland, TN 37148

TriStar Horizon Medical Center 111 Highway 70 East Dickson, TN 37055 615-441-2357

> Natchez Imaging 101 Natchez Park Drive

Radiation Oncology @ SCCC 105 Natchez Park Drive

Tennessee Oncology@ SCCC 103 Natchez Park Drive

TriStar Parkridge Medical Center 2333 McCallie Avenue Chattanooga, TN 37404 423-493-1772

> TriStar Parkridge East Hospital 941 Spring Creek Road Chattanooga, TN 37412 423-855-3500

TriStar Parkridge West Medical Center 1000 Tn Highway 28 Jasper, TN 37247

TriStar Parkridge Valley Hospital 200 Morris Hill Road Chattanooga, TN 37421 423-499-1204

TriStar Skyline Medical Center 3441 Dickerson Pike Nashville, TN 37207 615-769-7114

TriStar Skyline Madison Campus 500 Hospital Drive Madison, TN 37115 615-860-6301

TriStar Southern Hills Medical Center 391 Wallace Road Nashville, TN 37211 615-781-4000

TriStar StoneCrest Medical Center 200 StoneCrest Blvd. Smyrna, TN 37167 615-768-2508 TriStar Summit Surgery Center 3901 Central Pike Suite 152 Hermitage, TN 37076 615-391-7200

OTHER FACILITIES

Centennial Surgery Center 345 23rd Avenue North, Suite 201 Nashville, TN 37203 615-327-1123

Premier Orthopedics Surgery Center 394 Harding Place Suite 100 Nashville, TN 37211 615-332-3600

TriStar Summit Medical Center 5655 Frist Blvd. Hermitage, TN 37076 615-316-4902

Surgery Center of Chattanooga 400 North Holtzclaw Avenue Chattanooga, TN 37404 423-698-6871

HCA FACILITIES IN TENNESSEE 2015

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REAL ESTATE OPTION AGREEMENT

THIS REAL ESTATE OPTION AGREEMENT (this "Agreement") is made as of the Agreement Date (as defined in Section 14) by and between B&B ENTERPRISES, a Tennessee general partnership ("Seller"), and HCA HEALTH SERVICES OF TENNESSEE, INC., a Tennessee corporation, its successors and assigns ("Buyer").

RECITALS:

- A. Seller is the owner of a tract of land located at the southwest corner of Interstate 40 and Beckwith Road in Mount Juliet, Wilson County, Tennessee (the "Large Tract"), which Large Tract is more particularly shown or described on Exhibit A attached to and incorporated as a part of this Agreement.
- B. Buyer desires to acquire an option to purchase a portion of the Large Tract containing approximately 2.0 ± acres of land (the "Option Land"), which Option Land is more particularly shown or described on Exhibit A attached to and incorporated as a part of this Agreement.
- C. Seller is agreeable to granting such option to Buyer on the terms and conditions provided in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties, Seller and Buyer agree as follows:

- Ten Thousand and No/100 Dollars (\$10,000.00) (the "Option Money"), which shall be paid by Buyer to Seller within five (5) business days after the Agreement Date, Seller hereby gives and grants unto Buyer, upon the terms and conditions hereinafter set forth, the exclusive and irrevocable right and option (the "Option") to purchase the Option Land, together with any and all rights and appurtenances pertaining to the Option Land, including without limitation all rights and appurtenances contemplated by this Agreement (collectively, the "Property"). All Option Money shall be non-refundable, absent Seller's default or as otherwise provided in this Agreement, but the Option Money shall apply to the "Purchase Price" (as hereinafter defined) in the event that the Buyer exercises the option and purchases the Property. In the event Buyer does not exercise the Option, the Option Money shall be retained by Seller in full satisfaction of all obligations of Buyer under this Agreement, except as may otherwise be provided herein.
- 2. Option Period. The Option may be exercised at any time from the Agreement Date up to 11:59 P.M. Central Time on the first anniversary of the Agreement Date (the "Option Period"). Notwithstanding the foregoing, in the event the "CON Date" (defined in Section 5) has not occurred on or before the day that is thirty (30) days before the last day of the Option Period (as it may be extended), Buyer shall have the continuing right to extend the Option Period for successive periods ninety (90) days each; provided, however, that in no event shall the Option Period extend past the second anniversary of the Agreement Date without the expressed written agreement of Seller and Buyer.

- 3. Exercising the Option. Buyer shall have the right at any time during the Option Period, within its sole discretion, to exercise the Option to purchase the Property by delivering written notice to Seller ("Buyer's Option Notice"). In the event Buyer exercises the Option, Seller shall sell and convey, and Buyer shall purchase, the Property pursuant to the terms of this Agreement.
- 4. Purchase Price. The purchase price for the Property shall be Fifteen Dollars and No/100 (\$15.00) multiplied by the square footage of the Option Land (the "Purchase Price"), as such square footage is determined by the plat recorded as part of the "Subdivision" (defined in Section 6). All Option Money shall apply to and be credited against the Purchase Price. In the event Buyer exercises the Option, Buyer will pay the Purchase Price (subject to all adjustments and additions herein provided, including any addition of the "Site Improvements Reimbursement Amount" pursuant to Section 6(b)) at the closing of the sale of the Property and delivery of Seller's deed (the "Closing"), in immediately available United States funds.
- Certificate of Need ("CON") from the Tennessee Health Services and Development Agency to develop and use the Property as a free standing emergency department ("Buyer's Intended Use"). The date a final, non-appealable CON is issued for Buyer's Intended Use at the Property is referred to in this Agreement as the "CON Date". Seller acknowledges and agrees that Buyer may apply for and pursue issuance of the CON prior to exercise of the Option, and Seller agrees to cooperate, at no out of pocket expense to Seller, with any applications, filings or other efforts reasonably appropriate for Buyer to apply for and pursue issuance of the CON. If the Buyer exercises the Option to purchase, but for any reason prior to Closing desires to develop the parcel for any use other than a free standing emergency department, urgent care facility, medical office building, imaging center, surgery center or other related health care facility, an amended Buyer's Intended Use shall be agreed to in writing by the parties.
- Option, Seller, at Seller's sole cost and expense, shall commence and diligently pursue completion of all actions, approvals and permits required to subdivide the Option Land from the Large Parcel, so that the Option Land is a single, distinct parcel of land which is capable of being conveyed of record in compliance with all applicable governmental regulations (the "Subdivision"). Prior to submission of any plat for approval by a governmental authority or recording in the land records, Seller shall first submit such plat to Buyer for its review and approval.
- (b) Further, pursuant to the terms and conditions of (i) a "Seller's Work Letter", the form and content generally described herein but shall be mutually agreeable between the parties and more specifically determined prior to the expiration of the Option Period, and (ii) a "Seller's Work Escrow Agreement", which shall provide for, among other items, Buyer's escrow of all or a portion of the Purchase Price within a reasonable period of time after delivery of a Buyer's Option Notice (which escrow amount would be held in escrow until Closing) and provide for a period of time for which Seller shall complete the Site Improvements, the form and content of such Seller's Work Escrow Agreement shall be mutually agreed upon between the parties and executed prior to the expiration of the Option Period, Seller, at Seller's

sole cost and expense (except as provided below), shall commence and diligently pursue completion of all required improvements so that the Option Land is a "pad ready" site ("pad ready" being generally defined as a written sub-grade elevation of a six inch (6") crushed stone cap in the building pad area), including grading of the Option Land to a "pad ready" condition and constructing and installing the following to the boundary of the Option Land: paved streets and roads, with curbs and gutters, providing ingress and egress to the Option Land, to the standards required for dedication of such streets and roads to the applicable municipality; utility, water and sewer lines; and any off-site stormwater drainage and retention facilities that may be required by applicable governmental authorities (collectively, the "Site Improvements" and as may be more particularly defined within the Seller's Work Letter). The Site Improvements shall include all appropriate easements permitting use of all Site Improvements located outside the boundaries of the Option Land and Seller shall cooperate or assist the Buyer to obtain the appropriate easement(s) from any local, county, State or Federal authorities. commencing any construction or installation on the Site Improvements and in accordance with the Seller's Work Escrow Agreement, Seller shall first submit plans and specifications for such Site Improvements to Buyer for its review and approval. Along with such plans and specifications, Seller shall submit to Buyer for its review and approval a budget for completion of all Site Improvements (with the total costs stated on such budget approved by Seller and Buyer referred to as the "Site Improvements Budget Amount"). In the event the actual, documented out-of-pocket costs for the Site Improvements (the "Actual Site Improvements Costs") exceeds \$1,306,800.00, Buyer at Closing shall reimburse to Seller the "Site Improvements Reimbursement Amount" (hereinaster defined). As used herein, the "Site Improvements Reimbursement Amount" shall mean the lesser of (i) the Site Improvements Budget Amount minus \$1,306,800.00, (ii) the Actual Site Improvements Costs minus \$1,306,800.00, or (iii) \$143,200.00 (determined by subtracting \$1,450,000.00 minus \$1,306,800.00).

- governmental authorities (with all applicable appeal periods expired) and the Site Improvements are completed is referred to in this Agreement as the "Site Ready Date". In the event the Site Ready Date has not occurred within nine (9) months after the date Buyer's Option Notice is delivered by Buyer to Seller, Buyer shall have the right, in its sole discretion, to terminate its obligation to purchase the Property and elect not to proceed to Closing, in which event the Option Money and all amounts deposited pursuant to the Seller's Work Escrow Agreement shall be refunded to Buyer, and Seller and Buyer shall have no further obligations pursuant to this Agreement (provided that nothing herein shall be deemed to eliminate or reduce any remedies of either party in the event the other party is in default of its obligations pursuant to this Agreement).
- 7. Closing and Title. (a) The Closing shall be held at the office of First American Title Insurance Company, National Commercial Services ("Title Company") no later than the date that is the later of (i) thirty (30) days after the Site Ready Date or (ii) ninety (90) days after delivery of Buyer's Option Notice. Prior to delivery of Buyer's Option Notice, Buyer shall order from Title Company a title commitment for an owner's policy of title insurance ("Title Commitment"). If the Title Commitment shows that Seller does not have good, record and marketable indefensible, fee simple title to the Property, or that there are any defects, liens or

encumbrances or any other matters which are not reasonably acceptable to Buyer, Buyer shall notify Seller of such matters within fifteen (15) days after delivery of Buyer's Option Notice (provided that Buyer may elect to notify Seller prior to delivery of Buyer's Option Notice), and Seller shall have a period of time, not to exceed sixty (60) days from the later of receipt of the Buyer's written objections or receipt of Buyer's Option Notice, within which the Seller may cause the objections to be removed. In the event any updates or revisions to the Title Commitment prior to Closing show new, updated or revised matters, defects, liens or encumbrances or any other matters which are not reasonably acceptable to Buyer, Buyer shall have the same period of time provided herein after receipt of such updated or revised Title Commitment to make written objections to such items, and Seller shall have the same period of time after receipt of such written objections as provided herein to cure such items (and if the date of Closing would otherwise be schedule to occur prior to expiration of any Seller cure period, the date of Closing shall be deemed automatically extended until expiration of such Seller cure period). Notwithstanding the foregoing, Buyer will not be required to disapprove or object to, and Seller covenants to remove as an encumbrance against title to the Property on or prior to Closing, any deeds of trust, monetary liens or monetary encumbrances, and any exceptions for claims of liens for labor or materials furnished or supplied to the Property or any portion of the Property (collectively, "Monetary Liens"). Seller acknowledges that Buyer shall be entitled to take title to the Property at Closing free of any Monetary Liens, and without exception for any Monetary Liens on Buyer's title policy, and Seller shall provide at Closing any lien waivers or other items requested by Title Company in connection with the Site Improvements or any other work performed by Seller or on behalf of Seller related to the Property.

- (b) At Closing, Seller shall execute and deliver to Buyer its recordable and transferable special warranty deed conveying to Buyer or its nominee good, record and marketable fee simple title to the Property, free and clear of all leases, liens, encumbrances and other matters whatsoever except the following ("Permitted Encumbrances"): (i) utility and drainage easements of record (including those created by the REA defined in Section 19(i)), (ii) zoning and building laws, ordinances and regulations, and (iii) ad valorem real estate taxes and assessments not then due and payable. Exclusive possession of the Property shall be given to Buyer at Closing. Further, at Closing, the parties shall deliver the following documents:
 - (a) Seller shall deliver (i) such instruments or documents as are necessary, or reasonably required by Buyer and the Title Company, to evidence the status and capacity of Seller and the authority of the person or persons who are executing the various documents on behalf of Seller in connection with the purchase and sale transaction contemplated hereby; (ii) a satisfactory written certificate complying under the Foreign Investment in Real Property Act and the regulations thereunder ("FIRPTA"), certifying that Seller is neither a foreign person nor subject to withholding under FIRPTA, and containing Seller's tax identification or social security number and address; (iii) a standard and customary owner/seller affidavit and indemnity (with gap indemnity) in the form reasonably required by the Title Company and which will cause the Title Company to remove the so-called "standard exceptions" from the final title policy; and (iv) any other documents and agreements that may be reasonably necessary to consummate the transaction herein contemplated.

(b) Buyer shall deliver any documents and agreements that may be reasonably necessary to consummate the transaction herein contemplated.

At Closing, Buyer shall pay any state, county or city transfer tax due on the recording of Seller's deed and any recording fees due on the recording of Seller's deed, and Buyer shall pay recordation charges incurred in recording any documents necessary to remove any title objections or encumbrances. Buyer shall pay the premium for the title insurance policy insuring Buyer and for all due diligence obtained by Buyer. Each party shall pay its own attorneys' fees, and each party shall evenly split all settlement fees charged by the Title Company.

- 8. Real Estate Taxes. Prior to the Closing, Seller shall pay all real estate taxes and all assessments for public improvements, general and special, applicable to the Option Land which became a lien prior to the calendar year of the Closing. The real property taxes and assessments for the land comprising the Large Parcel for the calendar year of the Closing shall be allocated to the Option Land on a proportionate basis based on land area (provided that no taxes, assessments or valuation shall be attributable to improvements on the Large Parcel shall be allocated to the Option Land), and thereafter prorated (based on a 365-day year) as of the date of Closing, with Seller responsible for the prorated portion allocable to the period prior to and including the date of Closing and Buyer responsible for the prorated portion allocable to the period after Closing. If the taxes to be prorated cannot be determined, an adjustment for prorated real estate taxes will be made by agreement of the parties based on the principle of proration stated in the preceding sentence.
- 9. <u>Seller's Representations and Warranties</u>. Seller hereby represents and warrants to Buyer as follows, and acknowledges and agrees that Buyer is relying on such representations and warranties in connection the transaction herein provided:
- (a) Seller is a general partnership duly authorized and existing under the laws of the State of Tennessee.
- (b) Seller has not received notice of any condemnation proceedings affecting the Property and has no knowledge of any condemnation proceedings currently threatened or pending that would affect the Property.
- (c) Seller has not received written notice of any pending or threatened actions, suits or proceedings against or affecting the Property or any portion thereof, or relating to or arising out of the ownership, operation, management, use or maintenance of the Property.
- (d) To Seller's current knowledge, the Property is not contaminated by any hazardous substance or material and is in compliance with all applicable environmental laws.
- (e) Seller has duly and validly authorized and executed this Agreement, and has full right, title, power and authority to enter into this Agreement and to consummate the transactions provided for herein, and the joinder of no person or entity will be necessary to convey the Property fully and completely to Buyer at Closing.

- (f) Seller has good, record and marketable, indefeasible, fee simple title to the Property, free and clear of all defects, security interests, liens, leases, encumbrances, easements, covenants, restrictions, reservations, conditions, encroachments, assessments for public improvements (general or special) or any other matters whatsoever, except for Permitted Exceptions. There are no restrictive covenants or similar agreements, restrictions or instruments applicable to the Property that would prohibit or limit Buyer's Intended Use.
- or "Specifically Designated National and Blocked Person" under the Anti-Terrorism Laws (hereinafter defined). As used herein, the term "Anti-Terrorism Laws" means any and all present and future judicial decisions, statutes, ruling, rules, regulations, permits, certificates, orders and ordinances of any Governmental Authority relating to terrorism or money laundering including, without limiting the generality of the foregoing, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Pub. L. No. 107-56); the Trading with the Enemy Act (50 U.S.C.A. App. 1 et seq.); the International Emergency Economic Powers Act (50 U.S.C.A. § 1701-06); Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (relating to "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism") and the United States Treasury Department's Office of Foreign Assets Control list of "Specifically Designated National and Blocked Persons" (as published from time to time in various mediums).

All representations and warranties made by Seller in this Agreement are true and correct as of the Agreement Date and shall be true as of the date of Closing. Seller agrees to give Buyer prompt written notice if any of the foregoing representations or warranties cease being true and correct at any time through the date of Closing.

- 10. <u>Due Diligence</u>. (a) Seller shall deliver to Buyer complete and legible copies of any material documentation in Seller's possession regarding or concerning the Property (if any), including, without limitation, title policies, environmental reports, tests and reports of any kind, surveys or feasibility studies (collectively the "Property Documents") within thirty (30) business days of the Agreement Date and may be supplemented throughout the Option Period and, if applicable, until the Closing.
- (b) At all times from the Agreement Date until Closing, Buyer and its representatives, contractors, agents and employees may, at Buyer's sole risk and expense, enter upon the Option Land for the purpose of inspecting the Option Land and for the purposes of conducting such engineering and environmental studies and investigations (including a Phase I and/or Phase II environmental site assessment), soil and subsoil tests, surveys, feasibility studies and planning and other testing and exploration work necessary, appropriate or desirable for inspecting or examining the Option Land or for developing or formulating plans for Buyer's intended use of the Option Land, as determined by Buyer in Buyer's sole and absolute discretion; provided, however, Buyer shall indemnify and hold Seller harmless from and against any losses, claims, damages, liabilities, penalties, costs and expenses (including, but not limited to, reasonable attorneys' fees and expenses) arising or resulting from any entry upon the Option Land by Buyer or Buyer's representatives, contractors, agents or employees, provided that

Buyer's obligation to repair any damage to the Land and hold Seller harmless shall not apply to (i) acts or omissions of Seller, (ii) any hazardous materials, substances or waste existing on the Large Tract as of the Agreement Date, (iii) any pre-existing defect in the Large Tract; or (iv) any resultant diminution in value of the Large Tract due to Buyer's discovery of any of the foregoing.

- (c) Seller agrees that from the Agreement Date through the Closing it will not, without the prior consent of Buyer (to be granted or withheld in Buyer's sole and absolute discretion), cause to be created any leases or occupancy agreements that affect the Property.
- under this Agreement shall be given in writing and shall be (i) delivered by hand or (ii) delivered through the United States mail, postage prepaid, certified, return receipt requested, or (iii) delivered through or by UPS, Federal Express, or other nationally recognized overnight mail or package delivery, addressed to the parties at the addresses set forth below. Any notice or demand that may be given hereunder shall be deemed complete: (a) upon depositing any such notice or demand in the United States mail with proper postage affixed thereof, certified, return receipt requested; (b) upon depositing any such notice or demand with UPS, Federal Express, or other nationally recognized overnight mail or package delivery, or (c) upon hand delivery to the appropriate address as herein provided. Any party hereto may change said address by notice in writing to the other parties in the manner herein provided. The appropriate address for notice hereunder shall be the following:

Seller:

B&B Enterprises

680 Tennessee Boulevard Lebanon, TN 37087

With a copy to:

Shawn McBrien

McBrien, Kane & Crowell 133 South College Street Lebanon, TN 37087

Buyer:

HCA Health Services of Tennessee, Inc.

One Park Plaza Nashville, TN 37203 Attn: Ron Woods

With a copy to:

David P. Wright

Waller Lansden Dortch & Davis, LLP

511 Union Street, Suite 2700

Nashville, TN 37219

12. Remedies. (a) Should Seller breach any of its obligations pursuant to this Agreement, including without limitation a failure to close the sale of the Property to Buyer or a failure or inability to convey title to the Property to Buyer as described above, then Buyer shall be entitled to seek specific performance of all of Seller's obligations hereunder.

- (b) If Buyer exercises the Option and then fails to close the purchase and pay the balance of the Purchase Price at Closing, Seller shall be entitled to reimbursement from Buyer of all out-of-pocket costs then incurred on the Subdivision and Site Improvements relating to the Property (as defined in paragraph 6(b)), and shall be entitled to retain the Option Money as full liquidated and agreed damages, the parties hereby agreeing that such sum constitutes the parties' reasonable estimate of the damages which Seller would sustain on account of such default by Buyer, that the damages are uncertain and difficult to estimate, and therefore the parties hereby fix, after reasonable endeavor to fix damages, such amount as liquidated damages.
- 13. Brokers. Buyer represents and warrants that it has not dealt with any agent or broker in connection with this Agreement. Buyer covenants and agrees to defend, indemnify and save harmless the Seller from and against any claim for any broker's commission or similar fee or compensation for any service rendered in connection with the sale and purchase of the Property arising due to the actions of Buyer. The Seller has been represented by Jeff Browning and will pay to Jeff Browning a three percent (3%) broker fee at closing. Seller covenants and agrees to defend, indemnify and save harmless the Buyer from and against any claim for any broker's commission or similar fee or compensation for any service rendered in connection with the sale and purchase of the Property arising due to the actions of Seller.
- 14. Agreement Date. "Agreement Date" shall mean the date on which this Agreement is executed by the last party (Buyer or Seller) to sign this Agreement.
- 15. Entire Agreement. This Agreement constitutes the entire agreement between Seller and Buyer and no amendment or modification of this Agreement may be made except by an instrument in writing signed by all parties.
- 16. Venue. This Agreement is made and entered into in the State of Tennessee, and the interpretation and enforcement of same shall be governed by and construed in accordance with the laws of the State of Tennessee.
- 17. Waiver of Jury Trial. In the event of any action or proceeding, (including without limitation, any claim, counterclaim, cross-claim or third party claim) arising out of or, relating to this Agreement, or the transaction contemplated by this Agreement (i) the prevailing party shall be entitled to recover all of its costs and expenses, including a reasonable attorneys' fees and costs, and (ii) a court shall determine all issues of law and fact, a jury trial being expressly waived.
- 18. Time of the Essence. Time is declared to be of the essence of this Agreement. If Seller is prevented or hindered from timely satisfying any provisions set forth herein because of a shortage or inability to obtain materials or equipment, strikes or other labor difficulties, governmental restrictions or requirements, weather, casualties, acts of God, unforeseen construction issues (including but not limited to rock, sinkholes, caverns, water structures) or any other cause beyond the Seller's reasonable control, the Seller shall be permitted an extension of time of performance by the number of days during which such performance was prevented or hindered.

- Seller and Buyer and shall be binding upon and inure to the benefit of the respective successors and assigns of Seller and Buyer. Buyer shall have the right at any time to assign its rights and obligations under this Agreement to an "Affiliate" of Buyer (as defined in Section 9(g)) without the prior consent of Seller, provided Buyer shall remain obligated for the performance of Buyer's obligations hereunder. Any assignment by the Buyer to a person or entity that is not an "Affiliate" (as defined in Section 9(g)) shall require the prior written consent of Seller to assure that the intended character and use of the property shall remain the same unless otherwise agreed to by the Seller. Seller may assign its rights to receive the proceeds of sale, subject to the terms of this Agreement, to a third party; but Seller shall not convey or encumber the Property without Buyer's written consent. Promptly after any such assignment(s) by Buyer, Buyer will furnish Seller with an executed copy of the Assignment and thereafter the word "Buyer" as used in this Agreement shall be deemed to mean the assignee.
- (b) In the event any one or more of the provisions contained in this Agreement are held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.
- (c) This Agreement may be executed in any number of counterparts, in original or by facsimile or email copy, each of which shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. A counterpart executed and delivered by facsimile or email shall have the same force and effect as if executed and delivered by hand.
- (e) Each party shall be responsible for the payment to the other of all reasonable attorneys' fees incurred in enforcing the provisions of the terms of this Agreement, provided, however, that in any action between the parties relating to this Agreement, the prevailing party in any dispute or litigation shall be entitled to reimbursement from the other party of all the prevailing party's court costs and reasonable attorneys' fees.
- (f) In addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered at the Closing, Buyer and Seller agree to perform, execute and/or deliver any and all such further acts, deeds and assurances as Buyer or Seller, as the case may be, may reasonably require to (i) evidence and vest in the Buyer the ownership of, and title to, the Property and (ii) consummate the transactions contemplated hereunder.
- (g) At the request of Buyer, Seller agrees to execute a memorandum of this Agreement suitable for recording in the official records of Wilson County, Tennessee, which memorandum may be recorded by Buyer at Buyer's expense.
- (h) Seller and Buyer are not and shall not become partners or joint venturers by this agreement or by any rights or obligations set forth herein.

Easement Agreement ("REA"), the form and content of which shall be agreed upon prior to the expiration of the Option Period, which form and content shall include, but not be limited to, ingress and egress easements, utility easements, storm water drainage easements, and use restrictions (it being agreed that any use restrictions on the Property shall only restrict so called "noxious uses", and in no event shall any use restrictions prohibit, restrict or limit Buyer's Intended Use or use of the Property for a free standing emergency department, urgent care facility, medical office building, imaging center, surgery center or other related health care facility).

[execution on following page; remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates listed below their respective signatures.

SELLER:

B&B ENTERPRISES, a Tennessee general partnership

By:________
Name:______
Title:______
Date:______

BUYER:

HCA HEALTH SERVICES OF TENNESSEE, INC., a Tennessee corporation

By: Joseph A Sowell
Title: Ve Sident

Date: 6 5 15

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates listed below their respective signatures.

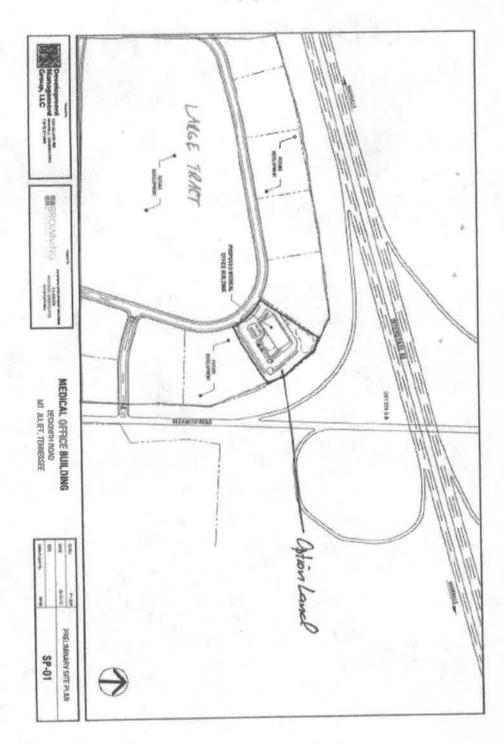
SELLER:

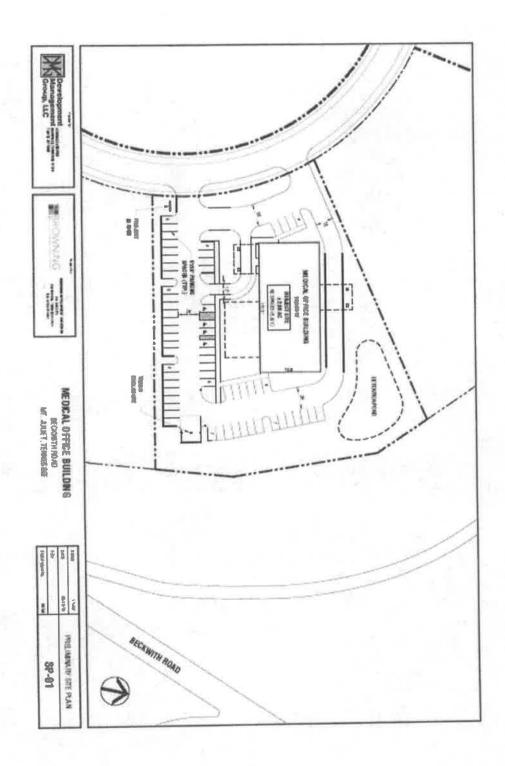
B&B ENTERPRISES, a Tennessee general partnership

| Ву: | Hard & Bon |
|--------|---|
| Name: | Harald G Bur. |
| Title: | Partur |
| Date: | 6-24-15 |
| BUYER | |
| | EALTH SERVICES OF TENNESSEE, Tennessee corporation |
| Ву: | |
| Name:_ | |
| Title: | |
| | |

Date:

EXHIBIT A (2 pages)





This Instrument Prepared By:

BAKER, WORTHINGTON, CROSSLEY STANSBERRY & WOOLF Attorneys At Law 1700 Nashville City Center Post Office Box 2866 Nashville, Tennessee 37219

Address of New Owner.

Send Tax Bills To:

Map and Parcel:

HCA Health Services of Tennessee, Inc. One Park Plaza Nashville, Tennessee 37203 ---

To Be assigned ML

SPECIAL WARRANTY DEED

BOOK 8120 PAGE 220

FOR AND IN CONSIDERATION of the sum of Ten and No/100 Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SOVRAN BANK/CENTRAL SOUTH (herein referred to as "Grantor") has this day bargained and sold and, by these presents, does hereby transfer and convey unto HCA HEALTH SERVICES OF TENNESSEE, INC. (herein referred to as "Grantee"), its successors and assigns, forever, the following described tract or parcel of land located in Davidson County, Tennessee, to-wit:

Being a tract of land lying in the 14th Councilmanic District of Nashville, Davidson County, Tennessee and being more particularly described as follows:

Beginning at a point, said point being South 10 deg. 13' 00" West 270.93 feet from a concrete monument in the westerly right-of-way of Old Hickory Boulevard and being at the southeast corner of the Constructors, Inc. property as of record in Deed Book 5777, page 846, Register's Office for Davidson County, Tennessee; thence with the southerly line of said Constructors, Inc. North 83 deg. 04. 50" West 265.20 feet to the TRUE POINT OF BEGINNING: thence leaving the southerly line of Constructors, Inc. and with a common line between Tennessee Department of Transportation property as of record in Deed Book 7687, Page 344, Register's Office for Davidson County, Tennessee and Northwest Quadrant South 14 deg. 47 ' 23" West 237.28 feet to a point; thence South 07 deg. 15 ' 09" West 406.92 feet to a point; thence South 05 deg. 34 ' 56" West 361.65 feet to a point on the northerly right-of-way of Central Pike; thence with a curve to the right having a radius of 2822.79 feet an arc length of 56.69 feet and a chord bearing and distance of South 89 deg. 59' 15" West 56.69 feet to a point; thence North 00 deg. 33' 46" East 3.00 feet to a point; thence with a curve to the right having a radius of 2819.79 feet an arc length of 147.30 feet and a chord bearing and distance of North 87 deg. 56' 26" West 147.28 feet to a point; thence South 03 deg. 33' 21" West 3.00 feet to a point; thence North 86 deg. 26' 39" West 377.82 feet to a point; thence South 03 deg. 33' 21" West 7.00 feet to point; thence North 86 deg. 26' 39" West 99.99 feet to a point; thence with a curve to the right having a radius of 5694.58 feet an arc length of 447.25 feet and a chord bearing and distance of North 84 deg. 11 ' 39" West 447.14 feet to a point; thence North 81 deg. 56' 39" West 107.70 feet to a point; said point being the southeast comer of the Hermitage Meadows Property as recorded in Book 5200, page 507, Register's Office for Davidson County, Tennessee,

BOALL-O THE CINE LAW

thence with the easterly line of said Hermitage Meadows North 21 deg. 10 '58" West 104.67 feet to an iron rod; thence North 13 deg. 30 '36" West 282.01 feet to a concrete monument; thence North 03 deg. 20 '47" East 709.19 feet to an iron rod; thence with the southerly line of Constructors, Inc. property South 83 deg. 04 '50" East 1452.84 feet to the point of beginning and containing 33.01 acres, more or less.

Being a portion of the same property conveyed to Sovran Bank/Central South, a Tennessee Banking corp. by deed from Marshall L. Hix, Substitute Trustee, of record in Book 8089, page 286, in Register's Office for Davidson County, Tennessee.

TO HAVE AND TO HOLD said tract or parcel of land together with all the improvements thereon and the appurtenances thereunto belonging unto the said Grantee, its successors and assigns, in fee simple, forever.

GRANTOR COVENANTS with the said Grantee that it is lawfully seized and possessed of said property, that it has a good and lawful right to sell and convey the same, and that it is free from any lien or encumbrance whatsoever, except for applicable zoning and building regulations, all visible easements, restrictions and limitations of record, and 1990 real estate taxes, which are to be prorated.

GRANTOR FURTHER COVENANTS with the said Grantee and binds itself, its successors and assigns, to warrant and forever defend the title thereto of said tract or parcel of land to the said Grantee, its successors and assigns, against the lawful claims and demands of all persons whomsoever.

ALL warranties of Grantor herein contained are expressly limited to those persons or parties claiming by, through or under Grantor.

WITNESS this the 30th day of May, 1990.

GRANTOR:

SOVRAN BANK/CENTRAL SOUTH

J. Hunter Atkins

Executive Vice-President

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, Million L. What a Notary Public for the state and county aforesaid, J. Hunter Atkins, with whom I am personally acquainted, and who acknowledged, upon oath, that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Executive Vice-President of Sovran Bank/Central South, the maker, and is authorized by the maker to execute this instrument on behalf of the maker.

WITNESS my hand and seal at office this 30th day of May, 1990.

Palinde Whit

My Commission Expres Nav A 100

mmission Ex

STATE OF TENNESSEE) COUNTY OF DAVIDSON

The actual consideration for the transfer or value of the property transferred, whichever is greater, is \$600,000.00.

AFFIANT

Sworn to and subscribed before me on this 30th day of May, 1990.

VOTARY PUBLIC

My Commission Expires May 8, 1991

LOEHTIF, TREFERENCE May 31 3 46 FII '90 FELIX Z. WILSON II REGISTER

BOX 35

THIS DOCUMENT PREPARED BY: Joseph B. Pitt, Jr., Attorney 315 Deaderick Street, Suite 105 First American Center Nashville, TN 37219 00262828

9

WARRANTY DEED

SAME

ADDRESS NEW OWNER:

SEND TAX BILLS TO:

MAP/PARCEL

HCA Health Services of Tennessee, Inc. One Park Plaza Nashville, TN 37203

Map 86; Parcel 64

1055-50 5496 02/08 0101 03CHECK

FOR AND IN CONSIDERATION OF THE SUM OF Ten and No/100 Dollars (\$10.00), Cash in hand paid by HCA Health Services of Tennessee, Inc., and other good and valuable considerations, accepted as cash, the receipt and sufficiency of which are hereby acknowledged, Constructors, Inc., has this day bargained and sold, and does hereby transfer and convey unto the said HCA Health Services of Tennessee, Inc., the Grantee herein, its (successors), and assigns, certain real estate in Davidson County, Tennessee, as follows:

(See Exhibit "A" attached hereto.)

Whenever used, the singular number shall include the plural, the plural the singular and the use of any gender shall be applicable to all genders.

Witness our hands this 8th day of February, 1991, the corporate party, if any, having caused its name to be signed hereto by its duly authorized officers on said day and date.

Constructors, Inc.

By: William R. Carter

Its: Agent

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Public of the State and County aforesaid, personally appeared William R. Carter, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be Agent of Constructors, Inc., the within named bargainor, a corporation, and that he as such Agent, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as Agent.

STATE OF TENNESSEE

The actual consideration or value whichever is greater, for this transfer is \$315,000.00.

Subscribed and sworn to before me this the 8th day of February, 1991.

HEA HEALTH SERVICES OF TENNES

Sy: bound

Notary

My commission expires:

This is unimproved property, known as Albee Drive, Nashville,

TO HAVE AND TO HOLD said real estate, with the appurtenance, estate, title and interest thereto belonging, to the Grantee, its (successors), and assigns, forever we covenant that we are lawfully seized and possessed of said real estate in fee simple, have a good right to convey it, and that the same is unencumbered except for 1991 taxes and matters shown on Survey of Jimmy W. Springer, dated January 21, 1991.

We further covenant and bind ourselves, and our representatives, to warrant and forever defend the title to said real estate to said Grantee, its (successors), and assigns, against the lawful claims of all persons.

Witness my hand and seal, at office in Nashville, Tennessee, this 8th day of February, 1991.

Notary Public

My commission expires:

PROPERTY DESCRIPTION

Being a tract of land lying in the 14th Councilmanic District of Nashville, Davidson County, Tennessee and being more particularly described as follows:

Beginning at an existing iron rod, said iron rod being the northwest corner of the Sovran Bank/Central South property as of record in Deed Book 8089. Page 286, R.O.D.C., Tennessee, said iron rod also being the northeast corner of the Hermitage Meadows, Stage Two property as of record in Plat Book 5200, Page 507, R.O.D.C., Tennessee; thence with the northerly line of Hermitage Meadows North 83°15'28" West 229.73 feet to an iron rod being the southwesterly corner of the property described herein; thence leaving said northerly line and with the easterly line of the Richard P. Sands, ET UX property as of record in Deed Book 2394, Page 479, R.O.D.C., Tennessee North 01°44'15" East 182.81 feet to an iron rod in the southerly line of Chapelwood Section 2 property as of record in Plat Book 5200, Page 83, R.O.D.C., Tennessee; thence with said southerly line South 41°32'12" East 150.17 feet to an iron rod; thence North 37°39'38" East 126.07 feet to a concrete monument lying in the southerly margin of a 40 foot right-of-way dedication of Albee Drive as of record in Plat Book 6050, Page 23, R.O.D.C., Tennessee; thence with said southerly margin South 51°54'21" East 27.16 feet to an iron rod; thence North 37°35'59" East 159.92 feet to a concrete monument, said monument being the easterly corner of the Zone Lot Division of Lots 26, 27 and 69 Chapelwood Section 2 as of record in Plat Book 5200, Page 715, R.O.D.C., Tennessee; thence North 33°40'10" West 138.98 feet to an iron rod, said iron rod being the northwesterly corner of the property described herein; thence with the southerly line of the John W. Hayes, Sr. property as of record in Deed Book 3462, Page 557, R.O.D.C., Tennessee South 82°50'00" East 1389.69 feet to a point in the westerly right-of-way margin of an access ramp to Interstate 40 as shown on the State of Tennessee Department of Transportation Bureau of Highways Project Number IR-40-5(87)221, said point also being the northeasterly corner of the property described herein; thence with said westerly right-of-way margin South 21°03'54" East 149.00 feet to a point; thence South 02°48'15" East 285.66 feet to an iron rod, said iron rod being the southeasterly corner of the property described herein and also being the northeasterly corner of the Sovran Bank/Central South property; thence leaving the westerly margin of said access ramp and with the northerly margin of the Sovran Bank/Central South property North 83°04'50" West 1452.84 feet to the point of beginning, containing 14.293 acres more or less.

Being a portion of the same property conveyed to Constructors, Inc. as of record in Deed Book 5777, Page 846, R.O.D.C., Tennessee.

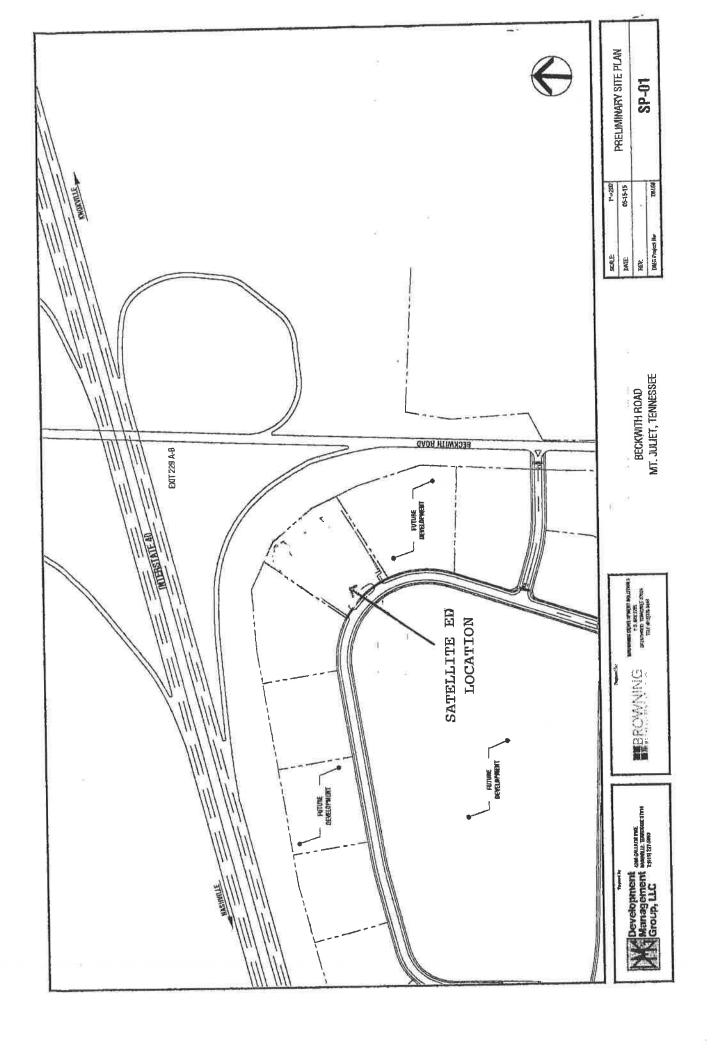
The above description taken from (survey of Jimmy W. Springer, TN RLS #825, Gresham Smith and Partners, 3310 West End, Nashville TN 37203, dated January 20, 1991, revised January 23, 1991.

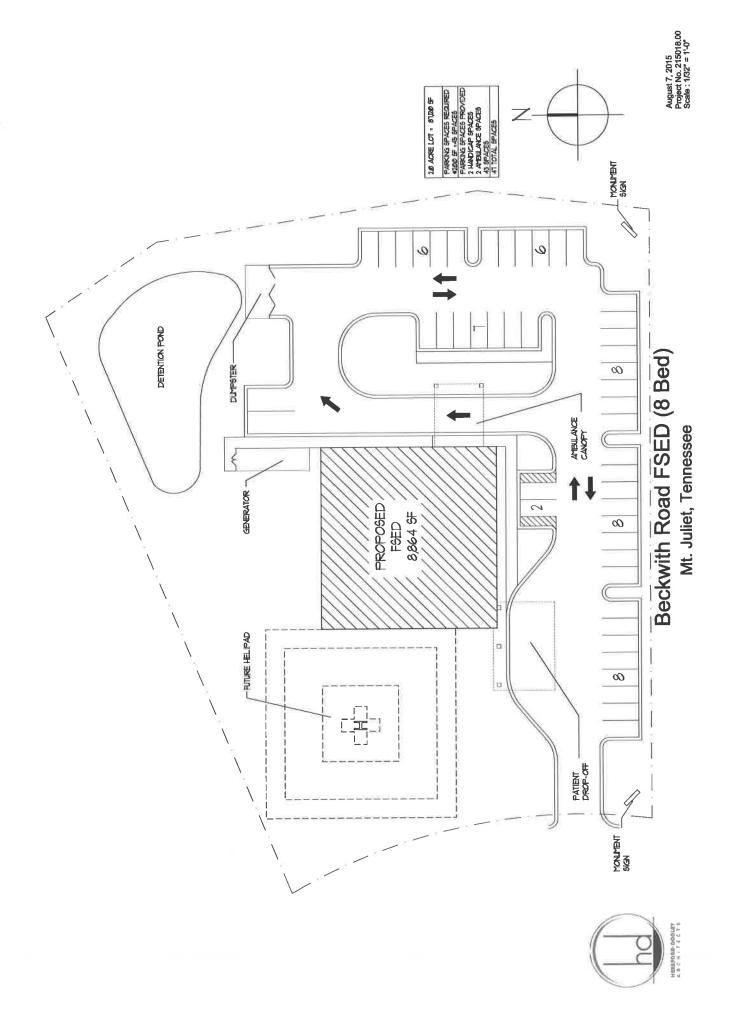
B.II.A.--Square Footage and Costs Per Square Footage Chart

TRI-STAR SUMMIT MEDICAL CENTER @ MT. JULIET SQUARE FOOTAGE AND COST PER SQUARE FOOTAGE CHART

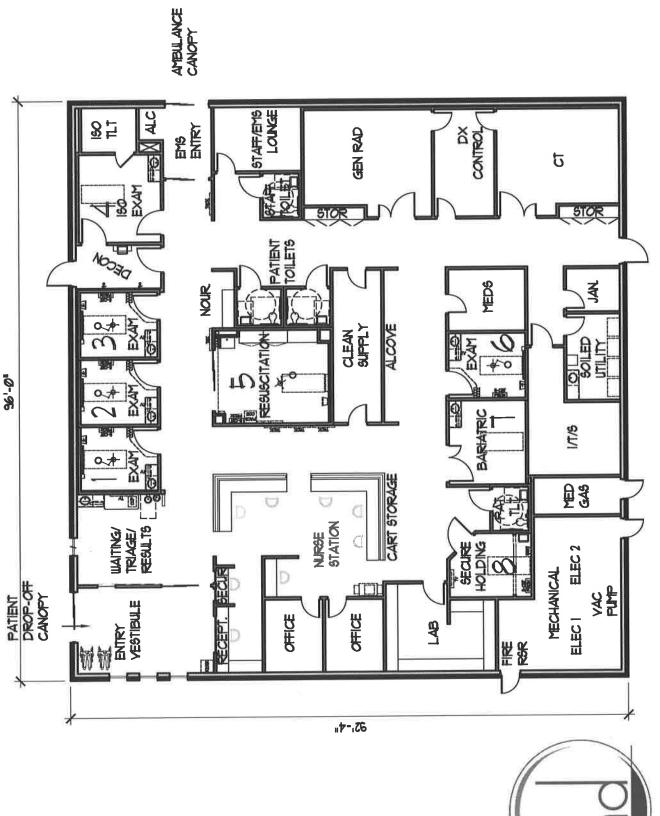
| Control Cont | A. Unit / Department | Existing Location | Existing | Temporary | Proposed Final | P. S. P. | Proposed Final Square Footage | 1 1 | 7 | Proposed Final Cost / SF | 1 1 |
|--|-----------------------------------|----------------------|----------|-----------|-------------------|-----------|----------------------------------|-------|-----------|-----------------------------|----------------|
| 1,742 | | | 5 | | Location | Renovated | New | Total | Renovated | New | lotal |
| 1,742 1,742 5,395 2,395 1,395 1,395 3,395 1,395 1,395 3,395 1,395 1,395 1,395 3,395 1,395 1,395 1,395 1,395 3,395 1,395 1,395 1,395 1,395 1,395 3,395 1,395 1,395 1,395 1,395 1,395 3,395 1,395 1,395 1,395 1,395 1,395 1,395 3,395 1,395 1,395 1,395 1,395 1,395 1,395 3,395 1,395 1,395 1,395 1,395 1,395 1,395 3,395 1,395 1,395 1,395 1,395 1,395 1,395 1,395 4,395 1,395 | | | | | | | | | | | |
| 1,742 1,742 5,395 5,39 | | | | | | | | | | | |
| Company | | | | | | | 1,742 | 1,742 | | \$395 | \$688,090.00 |
| 1,010 5,396 5,639 5,639 5,396 | | | | | | | 545 | 542 | | \$395 | \$214,090.00 |
| 1,010 1,010 5395 5395 1,010 1,010 5395 1,010 | | | | | | | 274 | 274 | | \$395 | \$108,230.00 |
| Control | | | | | | | 1,010 | 1,010 | | \$395 | \$398,950.00 |
| Company | | | | | | | 2,071 | 2,071 | | \$395 | \$818,045.00 |
| Company | | | I | | | | | | | | |
| 5,639 5,639 5,639 \$395 8,864 8,864 \$395 8,395 \$2,384 \$2,384 | | | | | | | | | | | |
| 5,639 5,639 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 8395 \$395 | | | | | | | | | | | |
| 5,639 5,639 \$395 6,639 6,639 \$395 7,619 6,639 \$395 8,864 8,864 8,864 \$395 8,297 8,297 | | | | | | | | | | | |
| 606 606 606 \$395 8395 8395 8395 8395 8395 8395 8395 8395 8395 8395 8395 8395 | B. Unit/Dept. GSF Sub-Total | | | | | | 5,639 | 5,639 | | \$395 | \$2,227,405.00 |
| 2,619 2,619 8,395 8,864 8,864 8,864 \$395 2,384 2,384 2,384 \$297 | C. Mechanical / Electrical GSF | | | | | | 909 | 909 | | \$395 | \$239,370.00 |
| 8,864 8,864 8,864 \$395 2,384 2,384 2,384 \$297 | D. Circulation / Structure GSF | | | | | | 2,619 | 2,619 | | \$395 | \$1,034,505.00 |
| 2,384 2,384 \$297 | | | | | | | 8,864 | 8,864 | | \$395 | \$3,501,280.00 |
| | | | | | | | 2,384 | 2,384 | | \$297 | \$709,120.00 |
| | G. Total Building Cost | | | | | | | | | | \$4,210,400.00 |







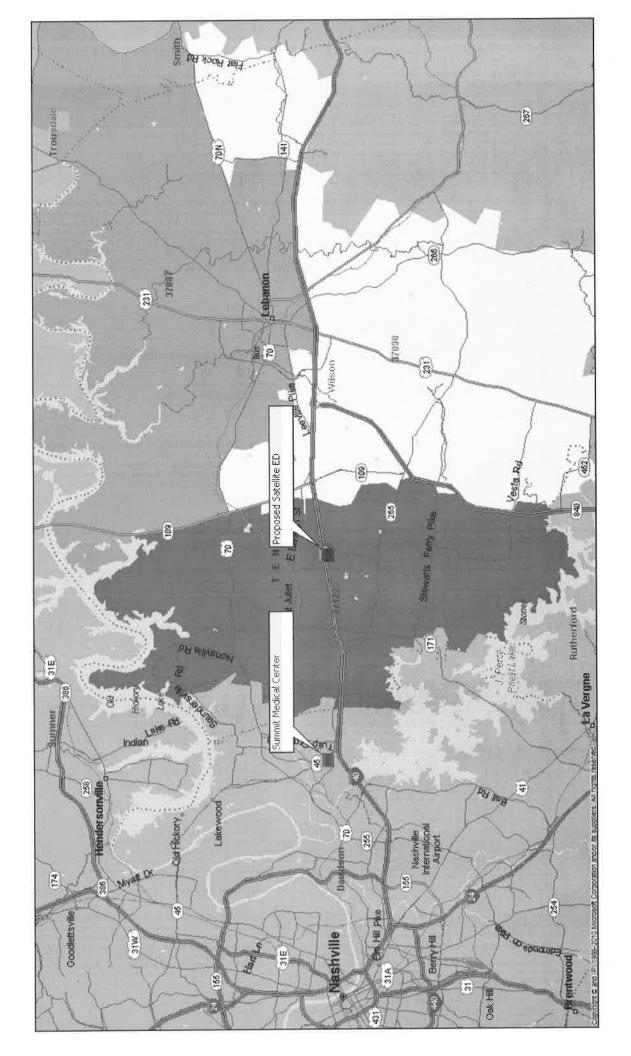


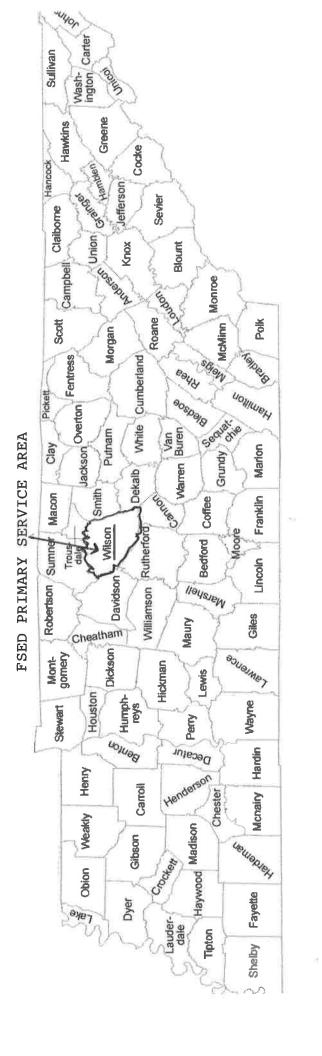


HEREFORD-DOOLEY
ARCHITECTS

C, Need--3 Service Area Maps

Proposed Satellite Emergency Department Service Area





C, Economic Feasibility--1 Documentation of Construction Cost Estimate



August 10, 2015

RE: Summit Freestanding Emergency Department @ Beckwith Road

To Whom It May Concern,

Hereford Dooley Architects, an architectural firm registered to practice in the state of Tennessee, has reviewed the cost data provided for the proposed freestanding satellite emergency department in Mount Juliet. The stated construction cost is \$4,210,400.00. It is our opinion that the proposed construction cost appears to be reasonable for this project type and size and compares favorably with other completed projects similar to this type and size. The proposed site will require extensive site work.

This is a summary of the current building codes enforced for this project:

| International Building Code (IBC) | 2006 |
|--|-----------|
| International Fuel and Gas Code (IFGC) | 2006 |
| International Plumbing Code (IPC) | 2006 |
| International Mechanical Code (IMC) | 2006 |
| National Electrical Code (NEC) | 2005 |
| NFPA 101 Life Safety Code | 2006 |
| North Carolina Handicap Accessibilities Act with 2004 Amendments | 1999 |
| Americans with Disabilities Act | 2010 |
| AIA Guidelines for Design and Construction of Healthcare Facilities | 2010 |
| (We will utilize the 2014 AIA Guidelines when adopted by the State of Te | ennessee) |

Respectfully,

Hereford Dooley Architects

Thomas A. Dooley AIA tom.dooley@hdarchitects.com

Senior Principal

Nashville STN 37203 hdarchHects.com P - 615-244-7399 **HD** Architects 1720 West End Ave - Sle 300

C, Economic Feasibility--2 Documentation of Availability of Funding

110 Winners Circle, Suite 200 Brentwood, TN 37027 (615) 661-1400

August 14th, 2015

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson State Office Building, 9th Floor 500 Deaderick Street Nashville, Tennessee 37243

RE: CON Application for TriStar Summit Medical Center

Hermitage, Davidson County

Dear Mrs. Hill:

TriStar Summit Medical Center is applying for a Certificate of Need to establish an eight bed satellite emergency department facility.

As Chief Financial Officer of the TriStar Health System, the HCA Division office to which this facility belongs, I am writing to confirm that our parent company HCA Holdings, Inc. will provide through TriStar the approximately \$11,107,000 required to implement this project. HCA Inc.'s financial statements are provided in the application.

Sincerei

C. Erio Lawson

Chief Financial Officer TriStar Division of HCA

C, Economic Feasibility--10 Financial Statements

ASSETS

| BEGIN | 54,573 | 51,139,804 | 25,068,834- 26,070,970 | 15,937 | 15,937 | 26,086,907 | 5,747,546 928,518 43,996 | 32,861,540 | 6,124,510 49,463,487 70,428,744 2,164,471 6,888 128,188,100 84,575,305- 43,612,795 | 10,027,657 | 86,501,992 |
|----------------------------|---|---|--|--|--|--------------------------|--|----------------------|---|---|--------------------|
| - YEAR TO DATE - CHANGE | 548,702- | 1,138,524 | 3,686,279- 2,547,755- | 52,151 | 52,151 | 2,495,604- | 588,695 1,646,390 14,780- | 824,001- | 1,687,002 4,476,548 1,680,318 676,883 8,520,751 2,871,198- 5,649,553 | | 4,825,552 |
| ENDING | 494,129- | 52,278,328 | 28,755,113- 23,523,215 | 68,088 | 68,088 | 23,591,303 | 6,336,241 2,574,908 29,216 | 32,037,539 | 6,124,510 51,150,489 74,905,292 3,844,789 683,771 136,708,851 87,446,503- 49,262,348 | 10,027,657 | 91,327,544 |
| | CURRENT ASSETS- CASH & CASH EQUIVALENTS MARKETABLE SECURITIES | PATIENT ACCOUNTS RECEIVABLES PATIENT RECEIVABLES TAGE BAD COMM BESTUMBE | LESS ALLOWS - BAD DEBT NET PATIENT RECEIVABLES | FINAL SETTLMENTS DUE TO/FROM GOVT PROGRAMS | ALLOWS DOE GOVI PROGRAMS NET FINAL SETTLEMENTS | NET ACCOUNTS RECEIVABLES | INVENTORIES PREPAID EXPENSES OTHER RECEIVABLES | TOTAL CURRENT ASSETS | PROPERTY, PLANT & EQUIPMENT LAND BLDGS AND IMPROVEMENTS EQUIPMENT - OWNED EQUIPMENT - CAPITAL LEASES CONSTRUCTION IN PROGRESS GROSS PP&E LESS ACCUMULATED DEPRECIATION NET PP&E | OTHER ASSETS INVESTMENTS NOTES RECEIVABLE INTANGIBLE ASSETS - NET INVESTMENT IN SUBSIDIARIES OTHER ASSETS HOWN OTHER ASSETS | GRAND TOTAL ASSETS |
| ENDING | 494,129- | 52,278,328 | 28,755,113- 23,523,215 | 880'89 | 68,088 | 23,591,303 | 6,336,241 2,574,908 29,216 | 32,037,539 | 6,124,510 51,150,489 74,905,292 3,844,789 683,708,851 136,708,851 87,446,503- | 10,027,657 | |
| CURRENT MONTH - CHANGE | 503,991- | 375,615 | 1,800,651 2,176,266 | 121,396- | 121,396- | 2,054,870 | 164,379 1,672,578 31,560- | 3,356,276 | 7,756- 452,370 284,456 729,070 413,713- 315,357 | | 3,671,633 |
| BEGIN | 9,862 | 51,902,713 | 30,555,764- 21,346,949 | 189,484 | 189,484 | 21,536,433 | 6,171,862 902,330 60,776 | 28,681,263 | 6,124,510 51,158,245 74,452,922 3,844,789 399,781 135,979,781 87,032,790- 48,946,991 | 10,027,657 | 87,655,911 |

| BEGIN | 3,490,918 4,835,331 1,589,594 13,967 | 689,144 17,760 10,636,714 | 2,441,899 277,328,029- 274,886,130- | 71,788 71,788 | 1,000 23,562,553 327,116,067 | 350,679,620 | 86,501,992 |
|---------------------------|--|--|--|---|--|------------------------------|---------------------------|
| - YEAR TO DATE CHANGE | 458,065 143,218 45,795 2,568- | 290,141 6,275- 928,376 | 538,752 31,770,906- 31,232,154- | 1,528 1,528 | 19,902,075- 55,029,877 | 35,127,802 | 4,825,552 |
| ENDING | 3,948,983 4,978,549 1,635,389 11,399 | 979,285 11,485 11,565,090 | 2,980,651 309,098,935- 306,118,284- | 73,316 73,316 | 1,000 23,562,553 307,213,992 55,029,877 | 385,807,422 | 91,327,544 |
| | CURRENT LIABILITIES- ACCOUNTS PAYABLE ACCRUED SALARIES ACCRUED EXPENSES ACCRUED INTEREST | DISTRIBUTIONS PAYABLE CURR PORT-LONG TERM DEBT OTHR CURRENT LIABILITIES INCOME TAXES PAYABLE TOTAL CURRENT LIABILITIES | LONG TERM DEBT- CAPITALIZED LEASES INTERCOMPANY DEBT OTHER LONG TERM DEBTS TOTAL LONG TERM DEBTS | DEFERRED CREDITS AND OTHER LIAB PROFESSIONAL LIABBILITY RISK DEFERRED INCOME TAXES LONG-TERM OBLIGATIONS TOTAL OTHER LIAB. & DEF. | EQUITY COMMON STOCK - PAR VALUE CAPITAL IN EXCESS OF PAR VALU RETAINED EARNINGS - START OF NET INCOME - CURRENT YEAR DISTRIBUTIONS | OTHER EQUITY TOTAL EQUITY | TOTAL LIABILITIES AND EQU |
| ENDING | 3,948,983 4,978,549 1,635,389 11,399 | 979,285 11,485 11,565,090 | 2,980,651 309,098,935- 306,118,284- | 73,316 73,316 | 1,000 23,562,553 307,213,992 55,029,877 | 385,807,422 | 91,327,544 |
| - CURRENT MONTH CHANGE | 14,871 377,506 136,766 225- | 6,238 407– 534,749 | 84,262- 3,875,367- 3,959,629- | 950 950 | 7,095,563 | 7,095,563 | 3,671,633 |
| BEGIN | 3,934,112 4,601,043 1,498,623 11,624 | 973,047 11,892 11,030,341 | 3,064,913 305,223,568- 302,158,655- | 72,366 | 1,000 23,562,553 307,213,992 47,934,314 | 378,711,859 | 87,655,911 |

| LAST YEAR | 74,539,508 396,626,646 471,166,154 383,129,587 854,295,741 1,175,359 855,471,100 | 206,007,537 929,623 7,082,126 1,116,165- 381,069,889 5,879,564 65,703,945 13,053,700 678,610,219 | 45,542,436 388,305 12,437,842 27,424,546 3,921,347 15,259,372 3,927,070 1,955,619 2,225,272 | 1,304,871 2,084,058 118,380,315 58,480,566 7,010,480 | 5,665,991 52,814,575 52,814,575 |
|----------------------------|--|--|---|--|---|
| - YEAR TO DATE - BUDGET | 81,419,410 437,466,776 518,886,186 421,148,885 940,035,071 1,132,055 941,167,126 | 239,545,004 1,007,315 8,492,956 935,076- 420,137,929 7,520,280 60,489,283 19,580,772 755,838,463 | 46,491,198 1,075,080 13,038,550 27,979,336 4,424,052 15,390,950 4,137,538 2,063,109 2,063,109 2,415,023 | 1,392,938 2,275,556 122,706,338 62,622,325 6,737,251 17,502,875- | 2,837,44 9,784,87 |
| THIS YEAR | 79,545,259 439,106,382 518,681,641 458,482,549 977,134,190 1,230,456 978,364,646 | 236,542,596 1,715,294 7,317,213 1,186,331- 449,247,001 7,801,596 72,596,140 19,300,090 793,333,599 | 48,093,791 1,080,964 12,529,939 28,874,582 4,239,857 16,195,310 3,740,857 2,008,002 2,392,546 | 1,303,418 2,397,599 125,107,847 59,923,200 7,327,483 | 4,893,323 55,029,877 55,029,877 |
| | REVENUES ROUTINE INPATIENT ANCILLARY TOTAL INPATIENT REVENUE OUTPATIENT ANCILLARY TOTAL PATIENT REVENUE TOTAL PATIENT REVENUE TOTAL REVENUES | REVENU MEDI MEDI CHAM PRIO HMO/ CHAR OTHE BAD | OPERATING COSTS SALARIES AND WAGES CONTRACT LABOR EMPLOYEE BENEFITS SUPPLIES PROFESSIONAL FEES CONTRACT SERVICES REPAIRS AND MAINTENANCE REPAIRS AND LEASES UTILITIES TASTRACE | INVESTMENT INCOME TAXES-NON INCOME TAXES-NON INCOME OTHER OPERATING EXPENSES TOTAL OPERATING EXPENSES EBDIT CAPITAL AND OTHER COSTS DEPRECIATION AMORTIZATION OTHER NON-OPERATING EXPENSE INTEREST EXPENSE | MIGHT FEES AND MAKEOF COST MINORITY INTEREST TOTAL CAPITAL AND OTHER PRETAX INCOME FEDERAL INCOME TAXES STATE INCOME TAXES TOTAL TAXES ON INCOME NET INCOME |
| THIS YEAR | 6,995,854 40,866,029 47,861,883 44,466 92,706,349 91,419 | 23,466,052 151,086 681,630 50,020- 44,529,978 252,218 6,051,718 426,099- 74,656,563 | 8 4 7 1 | 111 111 111 111 111 111 111 111 111 11 | 482, ,095, |
| CURRENT MONTH - BUDGET | 7,495,302 42,302,036 49,797,338 38,343,211 88,145,559 89,921 88,230,480 | 23,233,205 69,278 709,329 38,891,401 705,124 5,901,822 1,662,306 71,172,465 | mmm_ww_noo | 115,999 217,371 10,079,655 6,978,360 505,190 | |
| LAST YEAR | 6,875,879 38,816,398 45,692,277 36,649,250 82,341,527 87,222 82,428,749 | 20,509,344 58,753 572,037 36,950,368 915,469 5,276,384 1,516,593 | 629,8 83,2 89,5 83,2 83,4 83,5 1183,5 | 69,239 89,80 64,02 64,02 65,77 21,78 | 1,154,408 604,030 6,061,746 6,061,746 |

Table of Contents

HCA HOLDINGS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (continued)

Our condensed consolidating balance sheets at December 31, 2014 and 2013 and condensed consolidating statements of comprehensive income and cash flows for each of the three years in the period ended December 31, 2014, segregating HCA Holdings, Inc. issuer, HCA Inc. issuer, the subsidiary guarantors, the subsidiary non-guarantors and eliminations, follow.

HCA HOLDINGS, INC. CONDENSED CONSOLIDATING COMPREHENSIVE INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014 (Dollars in millions)

| | HCA Holdings, Inc. Issuer | HCA Inc. Issuer | Subsidiary Guarantors | Subsidiary Non- Guarantors | Eliminations | Condensed Consolidated |
|--|---------------------------------|--------------------|--------------------------|----------------------------------|----------------|---------------------------|
| Revenues before provision for doubtful accounts | \$ | s — | \$ 20,533 | \$ 19,554 | \$ - | \$ 40,087 |
| Provision for doubtful accounts | | | 1,777 | 1,392 | | 3,169 |
| Revenues | | | 18,756 | 18,162 | | 36,918 |
| Salaries and benefits | _ | _ | 8,574 | 8,067 | | 16,641 |
| Supplies | and the second | | 3,280 | 2,982 | | 6,262 |
| Other operating expenses | 20 | - | 3,138 | 3,597 | = | 6,755 |
| Electronic health record incentive income | | | (85) | (40) | | (125) |
| Equity in earnings of affiliates | (1,937) | _ | (7) | (36) | 1,937 | (43) |
| Depreciation and amortization | | | 888 | 932 | | 1,820 |
| Interest expense | 184 | 2,175 | (559) | (57) | | 1,743 |
| Gains on sales of facilities | | | (25) | (4) | - | (29) |
| Losses on retirement of debt | = | 335 | | _ | 2-4 | 335 |
| Legal claim costs | | 78 | | | | 78 |
| Management fees | | | (662) | 662 | | |
| | (1,733) | 2,588 | 14,542 | 16,103 | 1,937 | 33,437 |
| Income (loss) before income taxes | 1,733 | (2,588) | 4,214 | 2,059 | (1,937) | 3,481 |
| Provision (benefit) for income taxes | (76) | (961) | 1,533 | 612 | | 1,108 |
| STATE TO THE STATE OF THE STATE | 1,809 | (1,627) | 2,681 | 1,447 | (1,937) | 2,373 |
| Net income (loss) Net income attributable to noncontrolling interests | | | 87 | 411 | | 498 |
| | \$ 1,809 | \$(1,627) | \$ 2,594 | \$ 1,036 | \$ (1,937) | \$ 1,875 |
| Net income (loss) attributable to HCA Holdings, Inc. | g 1,609 | <u> </u> | - 3,0 5 1 | 7,000 | | |
| Comprehensive income (loss) attributable to HCA Holdings, Inc. | \$ 1,809 | \$(1,566) | \$ 2,508 | \$ 995 | \$ (1,937) | \$ 1,809 |

Table of Contents

HCA HOLDINGS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 17 — SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION AND OTHER COLLATERAL-RELATED INFORMATION (continued)

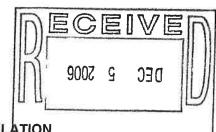
HCA HOLDINGS, INC. CONDENSED CONSOLIDATING BALANCE SHEET DECEMBER 31, 2014 (Dollars in millions)

Subsidiary **HCA** Condensed Subsidiary Non-HCA Inc. Holdings, Inc. Eliminations Consolidated Guarantors Guarantors Issuer Issuer ASSETS Current assets: 566 87 \$ 479 Cash and cash equivalents 5,694 2,882 2,812 Accounts receivable, net 1,279 523 756 Inventories 366 366 Deferred income taxes 1,025 531 376 118 Other 8,930 4,415 4,031 484 14,355 7,871 6.484 Property and equipment, net 494 494 Investments of insurance subsidiaries (22, 293)165 149 16 22,293 Investments in and advances to affiliates 6,416 4,711 1,705 Goodwill and other intangible assets 219 26 193 Deferred loan costs 620 27 158 435 Other \$ (22,293) 31,199 \$ 13,650 \$ 16,411 193 23,238 LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY Current liabilities: 2,035 \$ \$ \$ 762 1,272 \$ \$ 1 Accounts payable 1,370 783 587 Accrued salaries 1,737 858 317 517 45 Other accrued expenses 338 51 56 231 Long-term debt due within one year 2,258 5,480 2,628 46 548 29,307 280 2,525 26,317 185 Long-term debt (21,582)3,835 28,008 (10,261)Intercompany balances 1.078 1,078 Professional liability risks 187 1,832 605 487 Income taxes and other liabilities 553 37,697 7,638 17,091 (18, 164)31,132 Stockholders' (deficit) equity attributable to HCA (7.894)31,693 7,498 (22,293)(16,898)(7,894)Holdings, Inc. 1,396 1,275 121 Noncontrolling interests (6,498)(22,293)8,773 (16,898)31,814 (7,894)31,199 (22,293)13,650 \$ 16,411 193 23,238

C, Orderly Development--7(C)
Licensing & Accreditation Inspections

2: College Hatterson cc: Tom Dyburn





STATE OF TENNESSEE DEPARTMENT OF HEALTH

BUREAU OF HEALTH LICENSURE AND REGULATION MIDDLE TENNESSEE REGIONAL OFFICE

710 HART LANE, 1ST FLOOR NASHVILLE, TENNESSEE 37247-0530 PHONE (615) 650-7100 FAX (615) 650-7101

December 1, 2006

Jeffrey Whitehorn, Administrator Summit Medical Center 5655 Frist Blvd Hermitage, TN 37076

Dear Mr. Whitehorn:

Enclosed is the statement of deficiencies developed as the result of the revisit on the state licensure survey of Summit Medical Center on November 30, 2006.

Please provide us with documentation to describe how and when these deficiencies will be corrected. This information should be received in our office within ten (10) calendar days after receipt of this letter. It is imperative that you assure correction of the cited deficiencies no later than sixty (60) days from the date of the initial survey. A follow-up visit may be conducted, if your allegation of correction is reasonable and convincing. Failure to provide an acceptable plan of correction could result in a referral to the Board of Licensing Health Care Facilities for whatever action they deem appropriate.

In order for your Plan of Correction (PoC) to be acceptable, it should address the following:

- 1. How you will correct the deficiency;
- 2. Who will be responsible for correcting the deficiency;
- 3. The date the deficiency will be corrected; and
- 4. How you will prevent the same deficiency from happening again.

Should you have any questions, or if there is any way this office may be of assistance, please do not hesitate to call.

Sincerely,

Nina Monroe, Regional Administrator Middle Tennessee Regional Office

ENCLOSURE

NM/dv

Summit Medical Center

TRI STAR HEALTH SYSTEM...

December 11, 2006

ATTN: Nina Monroe, Regional Administrator State of Tennessee Department of Health Bureau of Health Licensure and Regulation Middle Tennessee Regional Office 710 Hart Lane, 1st Floor Nashville, TN 37247-0530

Dear Ms. Monroe:

Attached you will find our responses to the Statement of Deficiencies resulting from your State Licensure Survey of Summit Medical Center on November 30, 2006.

Please note that we are requesting a "Desk Review" of items noted on Statement of Deficiencies form. I have attached documentation and code references highlighted with pertinent information to assist with this review.

If there are any questions, please contact me at 615-316-3645.

Sincerely,

Ted Jones

Director of Operations and Facilities

TJ/ds

Cc: Tom Ozburn, COO

Colleen Patterson, Director of Quality Management

Division of Health Care Facilities STATEMENT OF DEFICIENCIES (X3) DATE SURVEY (X1) PROVIDER/SUPPLIER/CLIA (X2) MULTIPLE CONSTRUCTION AND PLAN OF CORRECTION COMPLETED IDENTIFICATION NUMBER: A. BUILDING 01 - MAIN BUILDING 01 B. WING TNP53133 11/30/2006 STREET ADDRESS, CITY, STATE, ZIP CODE NAME OF PROVIDER OR SUPPLIER 5655 FRIST BLVD SUMMIT MEDICAL CENTER HERMITAGE, TN 37076 SUMMARY STATEMENT OF DEFICIENCIES PROVIDER'S PLAN OF CORRECTION (X4) ID (X5) COMPLETE (EACH DEFICIENCY MUST BE PRECEDED BY FULL PREFIX (EACH CORRECTIVE ACTION SHOULD BE PREFIX DATE REGULATORY OR LSC IDENTIFYING INFORMATION) CROSS-REFERENCED TO THE APPROPRIATE TAG TAG DEFICIENCY {H 901} 1200-8-1-.09 (1) Life Safety {H 901} (1) Any hospital which complies with the required applicable building and fire safety regulations at the time the board adopts new codes or regulations will, so long as such compliance is maintained (either with or without waivers of specific provisions), be considered to be in compliance with the requirements of the new codes or regulations. This Statute is not met as evidenced by: Surveyor: 13846 Based on observation and inspection, it was determined the facility failed to comply with the life safety codes and the electrical codes. The findings included: On 11/30/06 at approximately 11:00 AM. SEMI-ANNUAL VENT COVERS inspection of the facility revealed the vent covers CLEANING PM TO START were dirty on the ground, first, second, third, IMMEDIATELY AND CONPLETE. BY END OF JANUARY. fourth, fifth, sixth, and seventh floors revealed the vent covers were dirty. NFPA 01, 19.5.2.1 Inspection of the seventh floor biohazard room A RAIL TO PROVIDE PROPER 1/19/2007 and the sixth floor soiled utility room revealed the CLEARANCES TO BE INSTALLED electrical panels were blocked with equipment. NFPA 70, 110-26(a) TO PREVENT ITEMS FROM BLOCKING PANECS. Inspection of the imaging staff work room, and REQUEST "DESK REVIEW the men's dressing room by x-ray revealed cylinders of oxygen stored and no precautionary OF THIS FINDING. signs posted. NFPA 99, 9,6,3,2,1 REQUEST "DESK REVIEW Inspection of the corridors revealed cylinders of oxygen stored and no precautionary signs OF THIS FINDING. posted, NFPA 99, 9.6.3.2.1 Inspection of the lab office and the accounting Division of Health Care Facilities (X6) DATE LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

STATE FORM

Division of Health Care Facilities STATEMENT OF DEFICIENCIES (X3) DATE SURVEY (X1) PROVIDER/SUPPLIER/CLIA (X2) MULTIPLE CONSTRUCTION AND PLAN OF CORRECTION IDENTIFICATION NUMBER: COMPLETED 01 - MAIN BUILDING 01 A. BUILDING B. WING TNP53133 11/30/2006 STREET ADDRESS, CITY, STATE, ZIP CODE NAME OF PROVIDER OR SUPPLIER 5655 FRIST BLVD SUMMIT MEDICAL CENTER HERMITAGE, TN 37076 SUMMARY STATEMENT OF DEFICIENCIES PROVIDER'S PLAN OF CORRECTION ID (X4) ID (EACH DEFICIENCY MUST BE PRECEEDED BY FULL (EACH CORRECTIVE ACTION SHOULD BE COMPLETE PREFIX PREFIX CROSS-REFERENCED TO THE APPROPRIATE REGULATORY OR LSC IDENTIFYING INFORMATION) DATE TAG TAG DEFICIENCY) {H 901} {H 901} 1200-8-1-.09 (1) Life Safety (1) Any hospital which complies with the required applicable building and fire safety regulations at the time the board adopts new codes or regulations will, so long as such compliance is maintained (either with or without waivers of specific provisions), be considered to be in compliance with the requirements of the new codes or regulations. This Statute is not met as evidenced by: Surveyor: 13846 Based on observation and inspection, it was determined the facility failed to comply with the life safety codes and the electrical codes. The findings included: On 11/30/06 at approximately 11:00 AM, SEMI-ANNUAL VENT COVERS inspection of the facility revealed the vent covers 1 30 2007 CLEANING PM TO START were dirty on the ground, first, second, third, IMMEDIATELY AND COMPLETE fourth, fifth, sixth, and seventh floors revealed the vent covers were dirty, NFPA 01, 19.5.2.1 BY END OF JANUARY. Inspection of the seventh floor biohazard room A RAIL TO PROVIDE PROPER 1/19/2007 and the sixth floor soiled utility room revealed the CLEARANCES TO BE INSTAUGO electrical panels were blocked with equipment. NFPA 70, 110-26(a) TO PREJECT ITEMS FROM BLOCKING PANELS. Inspection of the imaging staff work room, and REQUEST "DESK REVIEW the men's dressing room by x-ray revealed cylinders of oxygen stored and no precautionary OF THIS FINDING. signs posted. NFPA 99, 9,6,3,2,1 REQUEST "DESK REVIEW" Inspection of the corridors revealed cylinders of oxygen stored and no precautionary signs OF THIS FINDING . posted. NFPA 99, 9.6.3.2.1 Inspection of the lab office and the accounting Division of Health Care Facilities (X6) DATE LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REP ES SIGNATURE 12/11/06

STATE FORM

PRINTED: 12/01/2006 FORM APPROVED

| Divisio | n of Health Care Fac | ilities | | | | | |
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- 9.5.3.1.2 Use. Carts and hand trucks that are intended to be used in an esthetizing locations or cylinder and container storage rooms communicating with an esthetizing locations shall comply with the appropriate provisions of 13.4.1.
- 9.5.3.2 Gas Equipment Laboratory. Gas appliances shall be of an approved design and installed in accordance with NFPA 54 National Fuel Gas Code. Shutoff valves shall be legibly marked to identify the material they control.

9.6 Administration.

9.6.1 Policies.

9.6.1.1 Elimination of Sources of Ignition.

- 9.6.1.1.1 Smoking materials (e.g., matches, cigarettes, lighters fluid tobacco in any form) shall be removed from patients receiving respiratory therapy.
- 9.6.1.1.2. No sources of open flame, including candles, shall be permitted in the area of administration.
- 9.6:1.1.3* Sparking toys shall not be permitted in any patient care area:
- 9.6.1.1.4 Nonmedical appliances that have hot surfaces or sparking mechanisms shall not be permitted within oxygen delivery equipment or within the site of intentional expulsion.

9.6.1.2 Misuse of Flammable Substances.

- 9.6.1.2.1 Elammable or combustible aerosols or vapors, such as alcohol shall not be administered in oxygen-enriched atmospheres (see B.6.1.11).
- 9.6.1.2.2 Oil-grease, or other flammable substances shall not be used on an oxygen equipment.
- 9.6.1.2.3 Flammable and combustible liquids shall not be permutted within the site of intentional expulsion.

9.6.1.3 Servicing and Maintenance of Equipment.

- 9.6.1-3.1 Defective equipment shall be immediately removed from service.
- 9.6:1.3.2 Defective electrical apparatus shall not be used.
- 9:6.1.3.3 Areas designated for the servicing of oxygen equipment shall be clean, free of oil and grease, and not used for the repair of other equipment.
- 9:6.1.3.4 Service manuals, instructions, and procedures prouded by the manufacturer shall be used in the maintenance of equipment.
- 9.6 1.3.5 Ascheduled preventive maintenance program shall be followed:
- 9:6:2 Gases in Cylinders and Liquefied Gases in Containers.

9.6.2.1 Transfilling Cylinders.

- (A) Mixing of compressed gases in cylinders shall be prohibited.
- (B) Fransferof gaseous oxygen from one cylinder to another shall be in accordance with CGA Pamphlet P-2.5, Transfilling of High Presum Gaseous Oxygen to Be Used for Respiration.
- (C) Fransfer of any gases from one cylinder to another in patient care areas of health care facilities shall be prohibited.
- 9.6-2.2 Transferring Liquid Oxygen. Transferring of liquid oxygen from one container to another shall be accomplished at a location specifically designated for the transferring that is as follows:

- The area is separated from any portion of a facility wherein patients are housed, examined, or treated by a separation of a fire barrier of 1-hr fire-resistive construction.
- (2) The area is mechanically ventilated, is sprinklered, and has ceramic or concrete flooring.
- (3) The area is posted with signs indicating that transferring is occurring, and that smoking in the immediate area is not permitted.
- 9.6.2.2.1 Transferring shall be accomplished utilizing equipment designed to comply with the performance requirements and producers of CGA Pamphlet P-2.6, Transfilling of Low-Pressure Liquid Oxygen to be Used for Respiration, and adhering to those procedures.
- **9.6.2.2.2** The use and operation of small portable liquid oxygen systems shall comply with the requirements of CGA Pamphlet P-2.7, Guide for the Safe Storage, Handling and Use of Portable Liquid Oxygen Systems in Health Care Facilities.
- **9.6.2.3** Ambulatory Patients. Ambulatory patients on oxygen therapy shall be permitted access to all flame and smoke free areas within the health care facility.
- 9.6.3 Use (Including Information and Warning Signs).

9.6.3.1 Labeling.

- **9.6.3.1.1** Equipment listed for use in oxygen-enriched atmospheres shall be so labeled.
- **9.6.3.1.2** Oxygen-metering equipment and pressure-reducing regulators shall be conspicuously labeled:

OXYGEN -- USE NO OIL

- **9.6.3.1.3** Flowmeters, pressure-reducing regulators, and oxygen-dispensing apparatus shall be clearly and permanently labeled, designating the gas or mixture of gases for which they are intended.
- **9.6.3.1.4** Apparatus whose calibration or function is dependent on gas density shall be labeled as to the proper supply gas gage pressure (psi/kPa) for which it is intended.
- 9.6.3.1.5 Oxygen-metering equipment, pressure-reducing regulators, humidifiers, and nebulizers shall be labeled with the name of the manufacturer or supplier.
- 9.6.3.1.6 Cylinders and containers shall be labeled in accordance with ANSI/CGA C-7, Guide to the Preparation for Cautionary Labeling and Marking for Compressed Gas Containers. Color coding shall not be utilized as a primary method of determining cylinder or container content.

9.6.3.1.7 All labeling shall be durable and withstand cleansing or disinfection.

9.6.3.2* Signs.

- **9.6.3.2.1** In health care facilities where smoking is not prohibited, precautionary signs readable from a distance of 1.5 m (5 ft) shall be conspicuously displayed wherever supplemental oxygen is in use and in aisles and walkways leading to that area; they shall be attached to adjacent doorways or to building walls or be supported by other appropriate means.
- 9.6.3.2.2 In health care facilities where smoking is prohibited and signs are prominently (strategically) placed at all major entrances, secondary signs with no-smoking language shall not be required.
- 9.6.3.2.3 The nonsmoking policies shall be strictly enforced.

図Summit Medical Center

TRIBASTAR HEALTH SYSTEM

| MANUAL: Environment of Care | POLICY DESCRIPTION: Smoking |
|-------------------------------|-----------------------------|
| PAGE: 1 of 2 | REPLACES POLICY DATED: N/A |
| APPENDICES: N/A | REVIEWED: June 2006 |
| EFFECTIVE DATE: February 1998 | SECTION NUMBER: 1 |

PURPOSE:

To promote good health habits and provide a clean air environment for patients, visitors, employees, volunteers, and the medical staff.

POLICY:

There will be no smoking allowed in the interior of Summit Medical Center, its adjacent office buildings or Medical Center-owned vehicles by employees, visitors, patients or the medical staff.

PROCEDURE:

1. Patients

- A. Patients being admitted to Summit Medical Center will not be allowed to smoke in the interior of Summit Medical Center, its adjacent office buildings or Medical Center owned vehicles. Patients who must smoke must do so in the designated areas established in Section 4.
- B. Patients admitted to the Psychiatric Unit are permitted to smoke, on the smoking porch only when in the opinion of the psychiatrist failure to do so would adversely affect the effectiveness of therapeutic interventions and/or the therapeutic milieu of the patient. A physician's order is required.
- C. If a patient refuses to follow this policy, the patient will be reminded of the policy and it will be documented in the patient's chart in the progress notes. If the patient continues to be non-compliant, the physician will be notified and security will be contacted to witness the removal of smoking materials. Smoking materials will be returned to the patient at discharge.

2. Visitors

- A. Visitors will be allowed to smoke only in designated areas exterior to the hospital.
- B. If a visitor is found to be smoking in the interior of the Medical Center, he/she will be informed of Summit Medical Center's smoking policy, politely asked not to smoke inside the building, and directed to the nearest designated area.
- C. If a visitor refuses to cooperate, report the incident to Security for resolution.
- 3. Employees, Volunteers, Physicians and MOB Staff
 - A. Employees, volunteers, physicians, and MOB staff will be allowed to smoke only in designated smoking areas outside the facility.



| MANUAL: Environment of Care | POLICY DESCRIPTION: Smoking |
|-----------------------------|-----------------------------|
| PAGE: 2 of 2 | |

- B. Any employee found to be smoking in the interior of the hospital or a non-designated area will be subject to disciplinary action up to and including termination.
- C. Employees should be reminded that they are allowed a thirty minute lunch break. This break may be taken as a time to smoke in the designated areas outside the building, if so chosen by the employee.
- 4. Designated Smoking areas exterior to the Hospital and Medical Office Buildings
 - A. Employees, physicians, and volunteers will be allowed to smoke in the courtyard by the employee entrance and the designated smoking area adjacent to the rear Imaging entrance for employees.
 - B. Patients and visitors will be allowed to smoke at designated areas outside the rear Imaging Entrance, the Visitor and Patient entrance and the Same Day Surgery patio on First Floor.
 - C. Ambulatory Surgery Center designated smoking area is adjacent to the receiving area.

APPROVALS:

A.19.3.5.4 The provisions of 19.3.5.4(6) and 19.3.5.4(7) are not intended to supplant NFPA 13, Standard for the Installation of Sprinkler Systems, which requires that residential sprinklers with more than a 5.6°C (10°F) difference in temperature rating not be mixed within a room. Currently there are no additional prohibitions in NFPA 13 on the mixing of sprinklers having different thermal response characteristics. Conversely, there are no design parameters to make practical the mixing of residential and other types of sprinklers.

A.19.3.5.6 For the proper operation of sprinkler systems, cubicle curtains and sprinkler locations need to be coordinated. Improperly designed systems might obstruct the sprinkler spray from reaching the fire or might shield the heat from the sprinkler. Many options are available to the designer including, but not limited to, hanging the cubicle curtains 46 cm (18 in.) below the sprinkler deflector; using 1.3-cm (½-in.) diagonal mesh or a 70 percent open weave top panel that extends 46 cm (18 in.) below the sprinkler deflector; or designing the system to have a horizontal and minimum vertical distance that meets the requirements of NFPA 13, Standard for the Installation of Sprinkler Systems The test data that forms the basis of the NFPA 13 requirements is from fire tests with sprinkler discharge that penetrated a single privacy curtain.

A.19.3.6.1(3) A typical nurses' station would normally contain one or more of the following with associated furniture and furnishings:

- (1) Charting area
- (2) Clerical area
- (3) Nourishment station
- (4) Storage of small amounts of medications, medical equipment and supplies, clerical supplies, and linens
- (5) Patient monitoring and communication equipment

A.19.3.6.1(6)(b) A fully developed fire (flashover) occurs if the rate of heat release of the burning materials exceeds the capability of the space to absorb or vent that heat. The ability of common lining (wall, ceiling, and floor) materials to absorb heat is approximately 0.07 kJ per m² (0.75 Btu per ft²) of lining. The venting capability of open doors or windows is in excess of 1.95 kJ per m² (20 Btu per ft²) of opening. In a fire that has not reached flashover conditions, fire will spread from one furniture item to another only if the burning item is close to another furniture item. For example, if individual furniture items have heat release rates of 525 kW per second (500 Btu per second) and are separated by 305 mm (12 in.) or more, the fire is not expected to spread from item to item, and flashover is unlikely to occur. (See also the NFPA Fire Protection Handbook.)

A.19.3.6.1(7) This provision permits waiting areas to be located across the corridor from each other, provided that neither area exceeds the 55.7-m² (600-ft²) limitation.

A.19.3.6.2.2 The intent of the ½-hour fire resistance rating for corridor partitions is to require a nominal fire rating, particularly where the fire rating of existing partitions cannot be documented. Examples of acceptable partition assemblies would include, but are not limited to 1.3-cm (½-in.) gypsum board, wood lath and plaster, gypsum lath, or metal lath and plaster.

A.19.3.6.2.3 An architectural, exposed, suspended-grid acoustical tile ceiling with penetrating items such as sprinkler piping and sprinklers; ducted HVAC supply and return-air diffusers; speakers; and recessed lighting fixtures is capable of limiting the transfer of smoke.

A.19.3.6.2.5 Monolithic ceilings are continuous horizontal membranes composed of noncombustible or limited-combustible materials, such as plaster or gypsum board, with seams or cracks permanently sealed.

A.19.3.6.2.6 The purpose of extending a corridor wall above a lay-in ceiling or through a concealed space is to provide a barrier to limit the passage of smoke. The intent of 19.3.6.2.6 is not to require light-tight barriers above lay-in ceilings or to require an absolute seal of the room from the corridor. Small holes, penetrations or gaps around items such as ductwork, conduit, or telecommunication lines should not affect the ability of this barrier to limit the passage of smoke.

A.19.3.6.3.1 Gasketing of doors should not be necessary to achieve resistance to the passage of smoke if the door is relatively tight-fitting.

A.19.3.6.3.5 While it is recognized that closed doors serve to maintain tenable conditions in a corridor and adjacent patient rooms, such doors, which under normal or fire conditions are self-closing, might create a special hazard for the personal safety of a room occupant. These closed doors might present a problem of delay in discovery, confining fire products beyond tenable conditions.

Because it is critical for responding staff members to be able to immediately identify the specific room involved, it is suggested that approved automatic smoke detection that is interconnected with the building fire alarm be considered for rooms having doors equipped with closing devices. Such detection is permitted to be located at any approved point within the room. When activated, the detector is required to provide a warning that indicates the specific room of involvement by activation of a fire alarm annunciator, nurse call system, or any other device acceptable to the authority having jurisdiction.

In existing buildings, use of the following options reasonably ensures that patient room doors will be closed and remain closed during a fire:

- Doors should have positive latches and a suitable program that trains staff to close the doors in an emergency should be established.
- (2) It is the intent of the Code that no new installations of roller latches be permitted; however, repair or replacement of roller latches is not considered a new installation.
- (3) Doors protecting openings to patient sleeping or treatment rooms, or spaces having a similar combustible loading might be held closed using a closer exerting a closing force of not less than 22 N (5 lbf) on the door latch stile.

A.19.3.6.3.8 Doors should not be blocked open by furniture, door stops, chocks, tie-backs, drop-down or plunger-type devices, or other devices that necessitate manual unlatching or releasing action to close. Examples of hold-open devices that release when the door is pushed or pulled are friction catches or magnetic catches.

A.19.3.6.3.10 It is not the intent of 19.3.6.3.10 to prohibit the application of push-plates, hardware, or other attachments on corridor doors in health care occupancies.

A.19.3.7.3(2) Where the smoke control system design requires dampers in order that the system functions effectively, it is not the intent of the exception to permit the damper to be omitted.

This provision is not intended to prevent the use of plenum returns where ducting is used to return air from a ceiling plenum through smoke barrier walls. Short stubs or jumper ducts

- (3) If, in the opinion of the authority having jurisdiction, special hazards are present, a lock on the enclosure specified in 19.5.2.3(3) and other safety precautions shall be permitted to be required.
- 19.5.3 Elevators, Escalators, and Conveyors. Elevators, escalators, and conveyors shall comply with the provisions of Section 9.4.

19.5.4 Rubbish Chutes, Incinerators, and Laundry Chutes.

- 19.5.4.1 Any existing linen and trash chute, including pneumatic rubbish and linen systems, that opens directly onto any corridor shall be sealed by fire-resistive construction to prevent further use or shall be provided with a fire door assembly having a fire protection rating of 1 hour. All new chutes shall comply with Section 9.5.
- 19.5.4.2 Any rubbish chute or linen chute, including pneumatic rubbish and linen systems, shall be provided with automatic extinguishing protection in accordance with Section 9.7. (See Section 9.5.)
- 19.5.4.3 Any trash chute shall discharge into a trash collection room used for no other purpose and protected in accordance with Section 8.7.
- 19.5.4.4 Existing flue-fed incinerators shall be sealed by fire-resistive construction to prevent further use.

19.6 Reserved.

19.7* Operating Features.

19.7.1 Evacuation and Relocation Plan and Fire Drills.

- 19.7.1.1 The administration of every health care occupancy shall have, in effect and available to all supervisory personnel, written copies of a plan for the protection of all persons in the event of fire, for their evacuation to areas of refuge, and for their evacuation from the building when necessary.
- 19.7.1.2 All employees shall be periodically instructed and kept informed with respect to their duties under the plan required by 19.7.1.1.
- 19.7.1.3 A copy of the plan required by 19.7.1.1 shall be readily available at all times in the telephone operator's location or at the security center.
- 19.7.1.4* Fire drills in health care occupancies shall include the transmission of a fire alarm signal and simulation of emergency fire conditions.
- 19.7.1.5 Infirm or bedridden patients shall not be required to be moved during drills to safe areas or to the exterior of the building.
- 19.7.1.6 Drills shall be conducted quarterly on each shift to familiarize facility personnel (nurses, interns, maintenance engineers, and administrative staff) with the signals and emergency action required under varied conditions
- 19.7.1.7 When drills are conducted between 9:00 p.m. (2100 hours) and 6:00 a.m. (0600 hours), a coded announcement shall be permitted to be used instead of audible alarms.
- 19.7.1.8 Employees of health care occupancies shall be instructed in life safety procedures and devices.

19.7.2 Procedure in Case of Fire.

19.7.2.1* Protection of Patients.

19.7.2.1.1 For health care occupancies, the proper protection of patients shall require the prompt and effective response of health care personnel.

- 19.7.2.1.2 The basic response required of staff shall include the following:
- (1) Removal of all occupants directly involved with the fire emergency
- (2) Transmission of an appropriate fire alarm signal to warn other building occupants and summon staff
- (3) Confinement of the effects of the fire by closing doors to isolate the fire area
- (4) Relocation of patients as detailed in the health care occupancy's fire safety plan
- 19.7.2.2 Fire Safety Plan. A written health care occupancy fire safety plan shall provide for the following:
- (1) Use of alarms
- (2) Transmission of alarm to fire department
- (3) Emergency phone call to fire department
- (4) Response to alarms
- (5) Isolation of fire
- (6) Evacuation of immediate area
- (7) Evacuation of smoke compartment
- (8) Preparation of floors and building for evacuation
- (9) Extinguishment of fire

19.7.2.3 Staff Response.

19.7.2.3.1 All health care occupancy personnel shall be instructed in the use of and response to fire alarms.

physical and the comment of the comm

- 19.7.2.3.2 All health care occupancy personnel shall be instructed in the use of the code phrase to ensure transmission of an alarm under the following conditions:
- (1) When the individual who discovers a fire must immediately go to the aid of an endangered person
- (2) During a malfunction of the building fire alarm system
- 19.7.2.3.3 Personnel hearing the code announced shall first activate the building fire alarm using the nearest manual fire alarm box, then shall execute immediately their duties as outlined in the fire safety plan.

19.7.3 Maintenance of Exits.

- 19.7.3.1 Proper maintenance shall be provided to ensure the dependability of the method of evacuation selected.
- 19.7.3.2 Health care occupancies that find it necessary to lock exits shall, at all times, maintain an adequate staff qualified to release locks and direct occupants from the immediate danger area to a place of safety in case of fire or other emergency.
- 19.7.4* Smoking. Smoking regulations shall be adopted and shall include not less than the following provisions:
- (1) Smoking shall be prohibited in any room, ward, or compartment where flammable liquids, combustible gases, or oxygen is used or stored and in any other hazardous location, and such areas shall be posted with signs that read NO SMOKING or shall be posted with the international symbol for no smoking.
- (2) In health care occupancies where smoking is prohibited and signs are prominently placed at all major entrances, secondary signs with language that prohibits smoking shall not be required.
- (3) Smoking by patients classified as not responsible shall be prohibited.
- (4) The requirement of 19.7.4(3) shall not apply where the patient is under direct supervision.

- (5) Ashtrays of noncombustible material and safe design shall be provided in all areas where smoking is permitted.
- (6) Metal containers with self-closing cover devices into which ashtrays can be emptied shall be readily available to all areas where smoking is permitted.

19.7.5 Furnishings, Bedding, and Decorations.

- 19.7.5.1* Draperies, curtains, and other loosely hanging fabrics and films serving as furnishings or decorations in health care occupancies shall be in accordance with the provisions of 10.3.1 (see 19.3.5.6), and the following also shall apply:
- (I) Such curtains shall include cubicle curtains.
- (2) Such curtains shall not include curtains at showers.
- 19.7.5.2 Newly introduced upholstered furniture within health care occupancies shall meet the criteria specified when exted in accordance with the methods cited in 10.3.2(2) and 10.3.3.
- 197.5.3 The requirement of 19.7.5.2 shall not apply to uplioistered furniture belonging to the patient in sleeping froms of nursing homes where the following criteria are met-
- A smoke detector shall be installed in such rooms.
- (2) Battery-powered single-station smoke detectors shall be permitted.
- 19.7.5.4 Newly introduced mattresses within health care occupancies shall meet the criteria specified when tested in accordance with the methods cited in 10.3.2(3) and 10.3.4.
- 19.7.5.5 The requirement of 19.7.5.4 shall not apply to matresses belonging to the patient in sleeping rooms of nursing homes where the following criteria are met:
- (1) A smoke detector shall be installed in such rooms.
- (2) Battery-powered, single-station smoke detectors shall be permitted.
- 19.7.5.6 Combustible decorations shall be prohibited in any health care occupancy unless one of the following criteria is met:
- (1) They are flame-retardant.
- (2) They are decorations such as photographs and paintings in such limited quantities that a hazard of fire development or spread is not present.
- 19.7.5.7 Soiled linen or trash collection receptacles shall not exceed 121 L (32 gal) in capacity, and the following also shall apply:
- The average density of container capacity in a room or space shall not exceed 20.4 L/m² (0.5 gal/ft²).
- (2) A capacity of 121 L (32 gal) shall not be exceeded within any 6-m² (64-ft²) area.
- (3) Mobile soiled linen or trash collection receptacles with capacities greater than 121 L (32 gal) shall be located in a room protected as a hazardous area when not attended.
- (4) Container size and density shall not be limited in hazardous areas.

19.7.6 Maintenance and Testing. (See 4.6.13.)

19.7.7* Engineered Smoke Control Systems.

19.7.7.1 Existing engineered smoke control systems, unless specifically exempted by the authority having jurisdiction, shall be tested in accordance with established engineering principles.

- 19.7.7.2 Systems not meeting the performance requirements of such testing shall be continued in operation only with the specific approval of the authority having jurisdiction.
- 19.7.8 Portable Space-Heating Devices. Portable space-heating devices shall be prohibited in all health care occupancies, unless both of the following criteria are met:
- (1) Such devices are used only in nonsleeping staff and employee areas.
- (2) The heating elements of such devices do not exceed 100°C (212°F).

19.7.9 Construction, Repair, and Improvement Operations.

- 19.7.9.1 Construction, repair, and improvement operations shall comply with 4.6.11.
- 19.7.9.2 The means of egress in any area undergoing construction, repair, or improvements shall be inspected daily for compliance with of 7.1.10.1 and shall also comply with NFPA 241, Standard for Safeguarding Construction, Alteration, and Demolition Operations.

Chapter 20 New Ambulatory Health Care Occupancies

20.1 General Requirements.

20.1.1 Application.

20.1.1.1 General.

- 20.1.1.1.1 The requirements of this chapter shall apply to the following:
- (1) New buildings or portions thereof used as ambulatory health care occupancies (see 1.3.1)
- (2) Additions made to, or used as, an ambulatory health care occupancy (see 4.6.7 and 20.1.1.4), unless all of the following criteria are met:
 - (a) The addition is classified as an occupancy other than an ambulatory health care occupancy.
 - (b) The addition is separated from the ambulatory health care occupancy in accordance with 20.1.2.2.
 - (c) The addition conforms to the requirements for the specific occupancy.
- (3) Alterations, modernizations, or renovations of existing ambulatory health care occupancies (see 4.6.8 and 20.1.1.4)
- (4) Existing buildings or portions thereof upon change of occupancy to an ambulatory health care occupancy (see 4.6.12)
- 20.1.1.1.2 Ambulatory health care facilities shall comply with the provisions of Chapter 38 and this chapter, whichever is more stringent.
- 20.1.1.3 This chapter establishes life safety requirements, in addition to those required in Chapter 38, for the design of all ambulatory health care occupancies as defined in 3.3.152.1.
- 20.1.1.1.4 Buildings, or sections of buildings, that primarily house patients who, in the opinion of the governing body of the facility and the governmental agency having jurisdiction, are capable of exercising judgment and appropriate physical action for self-preservation under emergency conditions shall

3 Summit Medical Center

TRI STAR HEALTH SYSTEM.

March 16, 2007

ATTN: Nina Monroe, Regional Administrator State of Tennessee Department of Health Bureau of Health Licensure and Regulation Middle Tennessee Regional Office 710 Hart Lane, 1st Floor Nashville, TN 37247-0530

Dear Ms. Monroe:

Attached you will find our plan of correction to the Statement of Deficiencies resulting from your State Licensure Survey of Summit Medical Center on March 6, 2007.

If there are any questions, please contact me at 615-316-3645.

Sincerely,

Ted Johe

Director of Operations and Facilities

TJ/ds

Cc: Tom Ozburn, COO

Colleen Patterson, Director of Quality Management

PRINTED: 03/06/2007 FORM APPROVED Division of Health Care Facilities STATEMENT OF DEFICIENCIES (X1) PROVIDER/SUPPLIER/CLIA (X2) MULTIPLE CONSTRUCTION (X3) DATE SURVEY AND PLAN OF CORRECTION IDENTIFICATION NUMBER: COMPLETED A. BUILDING 01 - MAIN BUILDING 01 B. WING TNP53133 03/06/2007 NAME OF PROVIDER OR SUPPLIER STREET ADDRESS, CITY, STATE, ZIP CODE 5655 FRIST BLVD SUMMIT MEDICAL CENTER HERMITAGE, TN 37076 SUMMARY STATEMENT OF DEFICIENCIES (X4) ID PROVIDER'S PLAN OF CORRECTION (X5)(EACH DEFICIENCY MUST BE PRECEDED BY FULL (EACH CORRECTIVE ACTION SHOULD BE PRÉFIX **PREFIX** COMPLETE REGULATORY OR LSC IDENTIFYING INFORMATION) TAG CROSS-REFERENCED TO THE APPROPRIATE TAG DATE DEFICIENCY) {H 901} 1200-8-1-.09 (1) Life Safety {H 901} (1) Any hospital which complies with the required applicable building and fire safety regulations at the time the board adopts new codes or regulations will, so long as such compliance is maintained (either with or without waivers of specific provisions), be considered to be in compliance with the requirements of the new CONFERRED WITH BILL HARMON codes or regulations. ON 3.6.07. WITH NO SMOKING SIGNAGE ON MAIN ENTRANCES This Statute is not met as evidenced by: Surveyor: 13846 FOR GENERAL PUBLIC HE Based on observation and inspection, it was FELT WE HAD MET INTENT determined the facility failed to comply with the life safety codes. OF NFPA 99. CRASH CARTS AND BEDS FOR TRANSPORTING The findings included: PATIENTS WITH OXYGEN On 3/02/07 at approximately 10:00 AM. inspection of the corridors revealed cylinders of BOTTLES ARE NOT CONSIDERED oxygen stored and no precautionary signs STORED. posted. NFPA 99, 9.6.3.2.1 Inspection of the patient rooms on second, third, fourth, fifth, sixth, and seventh floors revealed the UL LISTED SMOKE SEALS doors are not constructed to resist the passage of ARE BEING INSTALLED ON PATIENT ROOM DOORS. 4.20.07 smoke. NFPA 101, 19.3.6.2

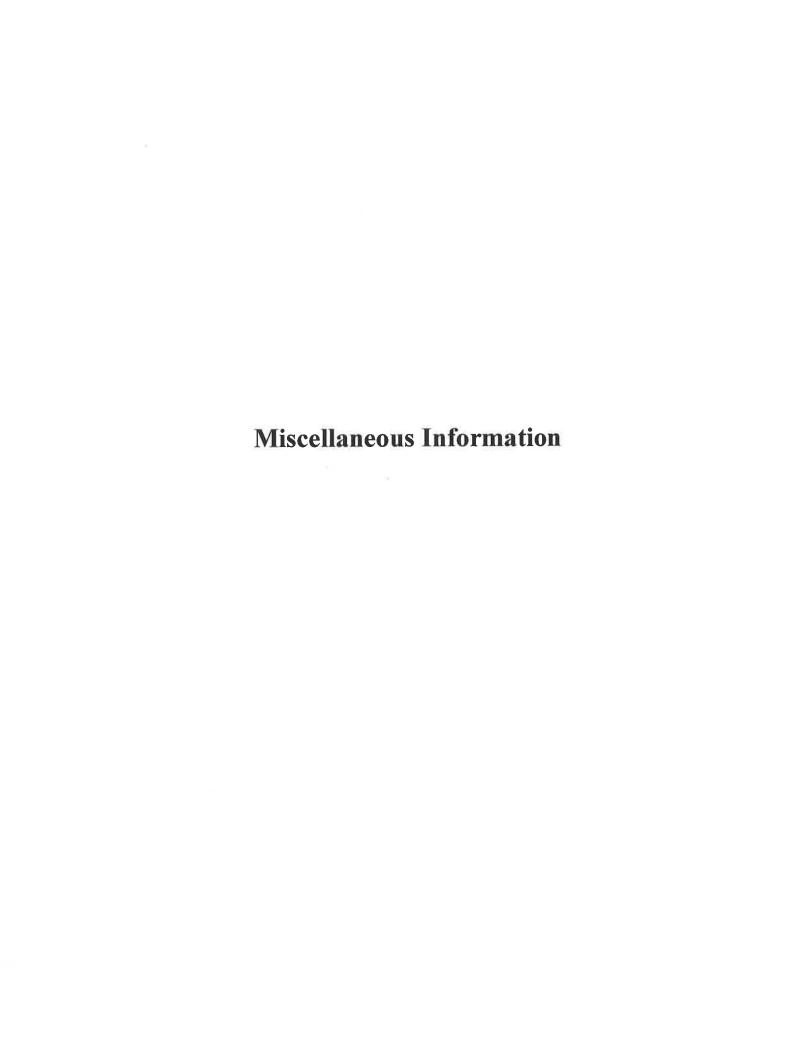
Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER SUPPLIER REPRESENTATIVE'S SIGNATURE

rector of facilities

(X6) DATE

TITLE





State & County QuickFacts

Thank you for your feedback! The new delivers the following improvements: Search by zip code, improved table display, browse more data features, download data, and more.

Wilson County, Tennessee

| People QuickFacts | Wilson County | Tennessee |
|---|------------------|-----------|
| Population, 2014 estimate | 125,376 | 6,549,352 |
| Population, 2013 estimate | 122,016 | 6,497,269 |
| Population, 2010 (April 1) estimates base | 114,011 | 6,346,27 |
| Population, percent change - April 1, 2010 to July 1, 2014 | 10.0% | 3.29 |
| Population, percent change - April 1, 2010 to July 1, 2013 | 7.0% | 2.49 |
| Population, 2010 | 113,993 | 6,346,10 |
| Persons under 5 years, percent, 2013 | 5.9% | 6.29 |
| Persons under 18 years, percent, 2013 | 24.4% | 23.0% |
| Persons 65 years and over, percent, 2013 | 14.1% | 14.79 |
| Female persons, percent, 2013 | 51.0% | 51.29 |
| White alone, percent, 2013 (a) | 89.8% | 79.1% |
| Black or African American alone, percent, 2013 (a) | 6.7% | 17.09 |
| American Indian and Alaska Native alone, percent, 2013 (a) | 0.4% | 0.49 |
| Asian alone, percent, 2013 (a) | 1.3% | 1.69 |
| Native Hawaiian and Other Pacific Islander alone, percent, | 0.49/ | 0.10 |
| 2013 (a) | 0.1% | 0.19 |
| Two or More Races, percent, 2013 | 1.6% | |
| Hispanic or Latino, percent, 2013 (b) | 3.6% | 4.99 |
| White alone, not Hispanic or Latino, percent, 2013 | 86.7% | 74.99 |
| Living in same house 1 year & over, percent, 2009-2013 | 86.0% | 84.69 |
| Foreign born persons, percent, 2009-2013 | 4.1% | 4.69 |
| Language other than English spoken at home, pct age 5+, 2009-2013 | 4.4% | 6.69 |
| High school graduate or higher, percent of persons age 25+, 2009-2013 | 88.7% | 84.49 |
| Bachelor's degree or higher, percent of persons age 25+, 2009-2013 | 26.0% | 23.89 |
| Veterans, 2009-2013 | 9,480 | 484,90 |
| Mean travel time to work (minutes), workers age 16+, 2009-2013 | 28.4 | 24. |
| Housing units, 2013 | 47,627 | 2,840,91 |
| Homeownership rate, 2009-2013 | 79.2% | 67.89 |
| Housing units in multi-unit structures, percent, 2009-2013 | 10.5% | 18.39 |
| Median value of owner-occupied housing units, 2009-2013 | \$190,100 | \$139,20 |
| Households, 2009-2013 | 42,800 | 2,475,19 |
| Persons per household, 2009-2013 | 2.70 | 2.5 |
| Per capita money income in past 12 months (2013 dollars), 2009-2013 | \$27,864 | \$24,40 |
| Median household income, 2009-2013 | \$60,390 | \$44,29 |
| Persons below poverty level, percent, 2009-2013 | 10.2% | 17.6 |
| Business QuickFacts | Wilson County | Tennessee |
| Private nonfarm establishments, 2013 | 2,399 | 130,819 |

TennCare Enrollment Report for July 2015

| MCO | REGION | Total |
|---------------------------------|------------------|-----------|
| AMERIGROUP COMMUNITY CARE | | 400,693 |
| BLUECARE | East Tennessee | 193,476 |
| BLUECARE | Middle Tennessee | 154,923 |
| BLUECARE | West Tennessee | 148,284 |
| UnitedHealthcare Community Plan | East Tennessee | 168,896 |
| UnitedHealthcare Community Plan | Middle Tennessee | 163,720 |
| UnitedHealthcare Community Plan | West Tennessee | 139,361 |
| TENNCARE SELECT HIGH | All | 50,190 |
| TENNCARE SELECT LOW | All | 13,243 |
| Awaiting MCO assignment | | 901 |
| Grand Total | | 1,433,687 |

| | | Female | | | Female | | Male | e | | | |
|------------|--------|--------|------------|----------|--------|--------|---------|---------|-------|------------|--------------------|
| VINIO | 0 - 18 | 19-20 | 21 - 64 65 | ^ | Total | 0 - 18 | 19 - 20 | 21 - 64 | 65-> | Male Total | Grand Total |
| ANDERSON | 4.185 | 348 | 2 | 610 | 9,355 | 4,364 | 294 | 1,983 | 266 | 6,907 | 16,262 |
| BEDECIBL | 3.733 | 273 | 2.930 | 234 | 7.170 | 3,917 | 195 | 1,206 | 120 | 5,438 | 12,608 |
| BENTON | 1 002 | 66 | 1,071 | 146 | 2,318 | 1,038 | 66 | 547 | 73 | 1,751 | |
| BI EDOOF | 780 | 85 | 785 | 119 | 1,769 | 895 | 69 | 448 | 57 | 1,469 | |
| BLCCOL | 2.908 | 515 | 5,811 | 658 | 12,892 | 5,965 | 360 | 2,589 | 291 | 9,205 | |
| BRADI EV | 5.799 | 484 | 5,740 | 677 | 12,700 | 6,121 | 342 | 2,477 | 280 | 9,220 | |
| CAMPREI | 2.873 | 322 | 3.663 | 662 | 7,520 | 3,039 | 223 | 1,988 | 381 | 5,631 | 13,151 |
| CANNON | 733 | 69 | 782 | 132 | 1,716 | 791 | 70 | 355 | 52 | | |
| CABBOIL | 1.793 | 174 | 2,090 | 320 | 4,377 | 1,986 | 160 | 1,052 | 136 | | |
| CARTER | 3.141 | 307 | 3.388 | 729 | 7,565 | 3,294 | 227 | 1,740 | 263 | | |
| CHEATHAM | 1,943 | 1771 | 1.864 | 160 | 4,144 | 2,074 | 149 | 853 | 83 | | |
| CHESTER | 1,050 | 68 | 1,018 | 148 | 2,305 | 1,071 | 71 | 424 | 67 | | |
| CIAIRORNE | 2.042 | 212 | 2,434 | 220 | 5,238 | 2,168 | 176 | 1,435 | 257 | 4 | |
| CLAY | 538 | 42 | 541 | 115 | 1,236 | 553 | 35 | | 77 | | |
| COCKE | 2.757 | 262 | 3,010 | 460 | 6,489 | 2,861 | 187 | 1.648 | 212 | | |
| COEFFE | 3,575 | 333 | 3,421 | 389 | 7,718 | 3,620 | 227 | 1,505 | 170 | | |
| CBOCKETT | 1.093 | 81 | 937 | 203 | 2,314 | 1,048 | 66 | 451 | 79 | | |
| CIMBERIAND | 3.186 | 292 | 3,144 | 494 | 7,116 | 3,357 | 243 | 1,533 | 239 | | 12,488 |
| DAMDSON | 41.711 | 2,672 | 35,339 | 3,357 | 83,079 | 43,000 | 2,160 | 14,242 | 1,660 | 9 | 14 |
| DECATIB | 638 | 72 | 707 | 187 | 1,604 | 730 | 49 | 391 | 63 | | |
| DEKAI B | 1,345 | 116 | 1,301 | 202 | 2,964 | 1,428 | 87 | 684 | 104 | | |
| DICKSON | 2.898 | 251 | 2,841 | 302 | 6,292 | 3,070 | 213 | 1,196 | 134 | 4,613 | |
| NYER | 2.625 | 286 | 2,862 | 430 | 6,203 | 2,796 | 225 | 1,240 | 157 | | Ì |
| FAVETTE | 1.827 | 153 | 1,728 | 302 | 4,010 | 1,911 | 110 | 739 | 142 | - | |
| FENTBESS | 1,335 | 139 | 1,497 | 359 | 3,330 | 1,451 | 124 | 972 | 183 | | |
| FRANKIN | 1.958 | 1771 | 2,040 | 272 | 4,447 | 2,092 | 141 | 953 | 115 | | |
| GIBSON | 3,221 | 316 | 3,435 | 594 | 7,566 | 3,494 | | 1, | 270 | | |
| GILES | 1,594 | 155 | 1,623 | 227 | 3,599 | 1,615 | 118 | 780 | 108 | 2,621 | 6,220 |

| | | Female | | | Female | | Male | 0 | | | |
|------------|--------|---------|--------|---------|--------|--------|---------|---------|-------|--------|--------------------|
| COUNTY | 0 - 18 | 19 - 20 | 21-64 | 1 1 2 1 | Total | 0 - 18 | 19 - 20 | 21 - 64 | 65 -> | | Grand Total |
| GRAINGER | 1,435 | 142 | 1,449 | 304 | 3,330 | 1,437 | 120 | 846 | 147 | 2,550 | 5,880 |
| GREENE | 3.576 | 348 | 4,104 | 723 | 8,751 | 3,826 | 265 | 2,000 | 373 | 6,464 | 15,215 |
| GRUNDY | 1.072 | 126 | 1,236 | 216 | 2,650 | 1,209 | 101 | 710 | 116 | 2,136 | 4,786 |
| HAMBLEN | 4,513 | 777 | 3,656 | 516 | 8,962 | 4,585 | 272 | 1,597 | 212 | 999'9 | 15,628 |
| HAMILTON | 17,501 | 1,372 | 17,390 | 2,356 | 38,619 | 18,445 | 1,065 | 7,049 | 975 | 27,534 | 66,153 |
| HANCOCK | 496 | 09 | 618 | 144 | 1,318 | 556 | 43 | 348 | 89 | 1,015 | 2,333 |
| HARDEMAN | 1,780 | 152 | 1,868 | 332 | 4,132 | 1,752 | 136 | 888 | 154 | 2,930 | 7,062 |
| HARDIN | 1,689 | 179 | 1,889 | 376 | 4,133 | 1,781 | 158 | 947 | 199 | 3,085 | 7,218 |
| HAWKINS | 3,348 | 310 | 3,582 | 296 | 7,836 | 3,442 | 264 | 1,815 | 275 | 5,796 | 13,632 |
| HAYWOOD | 1,465 | 144 | 1,616 | 270 | 3,495 | 1,618 | 103 | 563 | 109 | 2,393 | 5,888 |
| HENDERSON | 1 793 | 170 | 1,903 | 265 | 4,131 | 1,904 | 150 | 817 | 101 | | 7,103 |
| HENBY | 1 995 | 193 | | 286 | 4.587 | 2.167 | 161 | 1,026 | 96 | | 8,037 |
| HICKMAN | 1491 | 154 | 1.592 | 187 | 3,424 | 1,732 | 132 | 829 | 81 | | 6,228 |
| NOTSHOH | 467 | 36 | ı | 112 | 1.132 | 507 | 32 | 259 | 99 | | 1,996 |
| HIMBHESS | 1074 | 95 | H | 157 | 2.430 | 1.109 | 63 | 524 | 55 | 1,751 | 4,181 |
| HOWINGELS | 899 | 200 | | 136 | 1 577 | 714 | 9 | 404 | 96 | | 2.851 |
| JACKSON | 900 | 754 | c | 470 | E OEA | 3 205 | 216 | 1512 | 202 | | 12 190 |
| JEFFERSON | 3,174 | 107 | 3,03 | 4/0 | 0770 | 1,063 | 275 | 703 | 153 | | 4 474 |
| NOSHNSON | 186 | 801 | | 107 | 2,479 | 1,003 | 100 1 | 50/ | 200 | , | 75 105 |
| KNOX | 19,698 | 1,559 | 19 | 2,399 | 43,505 | 20,701 | 1,22,1 | 8,606 | 1,092 | | 73,123 |
| LAKE | 462 | 36 | | 146 | 1,270 | 240 | 40 | 2/10 | /9 | | 2,193 |
| LAUDERDALE | 1,997 | 193 | | 310 | 4.604 | 2,076 | 163 | 901 | 122 | | 7,866 |
| LAWRENCE | 2,641 | 231 | 2 | 408 | 5,893 | 2,830 | 164 | 1,320 | 153 | | 10,360 |
| EWIS | 773 | 19 | | 131 | 1,715 | 750 | 76 | 342 | 61 | 1,229 | 2,944 |
| LINCOLN | 2,007 | 155 | | 283 | 4,300 | 2,071 | 131 | 882 | 106 | | 7,493 |
| NOON | 2,444 | 206 | | 266 | 5,061 | 2,537 | 124 | 1,002 | 109 | | 8,833 |
| MACON | 1,794 | 172 | | 238 | 3,856 | 1,868 | 136 | 808 | 116 | 2,929 | 6,785 |
| MADISON | 6,568 | 518 | | 831 | 14,581 | 6,642 | 400 | 2,382 | 330 | | 24,335 |
| MARION | 1,775 | 182 | | 229 | 4,147 | 1,798 | 131 | 851 | 132 | | 7,059 |
| MARSHALL | 1,810 | 117 | | 170 | 3,765 | 1,901 | 111 | 200 | 65 | | 6,542 |
| MALIRY | 4,948 | 351 | | 528 | 10,469 | 5,201 | 285 | 1,807 | 188 | 7,481 | 17,950 |
| MCMINN | 3,062 | 273 | | 519 | 7,024 | 3,268 | 203 | 1,446 | 226 | | 12,167 |
| MCNAIRY | 1,751 | 184 | | 360 | 4,312 | 1,914 | 142 | 1,128 | 185 | | 7,681 |
| MEIGS | 790 | 75 | | 06 | 1,775 | 821 | 58 | 424 | 45 | İ | 3,123 |
| MONROE | 2,853 | 271 | 2,934 | 479 | 6,537 | 3,110 | 215 | 1,496 | 232 | 5,053 | 11,590 |
| MONTGOMERY | 9,029 | 633 | | 899 | 19,012 | 9,300 | 476 | 2,999 | 231 | | 32,018 |
| MOORE | 207 | 15 | | 43 | 449 | 256 | 29 | 85 | 18 | 388 | 837 |
| MORGAN | 1,207 | 116 | Ė | 193 | 2,719 | 1,281 | 106 | 616 | 97 | 2,100 | 4,819 |
| OBION | 2,030 | 182 | 2,126 | 298 | 4,636 | 2,130 | 116 | 098 | 120 | 3,226 | 7,862 |
| OVERTON | 1,213 | 144 | | 268 | 2,895 | 1,339 | 113 | 702 | 138 | 2,292 | 5,187 |
| PERRY | 547 | 40 | 488 | 77 | 1,152 | 521 | 55 | 281 | 31 | 888 | 2,040 |
| PICKETT | 257 | 24 | | 84 | 650 | 300 | 36 | 153 | 46 | 535 | 1,185 |
| POLK | 966 | 116 | | 151 | 2,311 | 1,035 | 9/ | 553 | 69 | 1,733 | 4,044 |
| PUTNAM | 4,204 | 360 | | 742 | 9,564 | 4,376 | 284 | 2,231 | 319 | 7,210 | 16,774 |
| RHEA | 2,379 | 203 | | 345 | 5,169 | 2,431 | 170 | 1,100 | 130 | 3,831 | 9,000 |
| ROANE | 2,654 | 228 | 3,077 | 508 | 6,467 | 2,941 | 208 | 1,604 | 232 | | 11,452 |
| ROBERTSON | 3,884 | 289 | | 357 | 7,617 | | 214 | 1,258 | 176 | | 13,333 |
| RUTHERFORD | 13,601 | 1,086 | | 972 | 27,290 | | 774 | 4,132 | 413 | 19,475 | 46,765 |
| SCOTT | 1,886 | 180 | 2,069 | 381 | 4,516 | 2,002 | 134 | 1,119 | 193 | 3,448 | 7,964 |
| SEQUATCHIE | 1,011 | 82 | | 147 | 2,275 | | 71 | 551 | 51 | 1.715 | 3,990 |
| | | | | | | | | | | | |

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| | | Female | | | Female | | Male | 0 | | | |
|-------------|--------|---------|---------|--------|---------|--------|---------|---------|-------|------------|--------------------|
| COUNTY | 0 - 18 | 19 - 20 | 21 - 64 | £ 1 | Total | 0 - 18 | 19 - 20 | 21 - 64 | 65 -> | Male Total | Grand Total |
| SEVIER | 5,498 | 437 | 4,775 | 455 | 11,165 | 5,917 | 339 | 1,972 | 161 | 8,389 | 19,554 |
| SHELBY | 75,115 | 5,857 | 68,107 | 6,770 | 155,849 | 76,675 | 5,175 | 22,294 | 2,862 | 107,006 | 262,855 |
| SMITH | 1,084 | 108 | 1,102 | 165 | 2,459 | 1,107 | 72 | 510 | 09 | 1,749 | 4,208 |
| STEWART | 741 | 29 | 794 | 110 | 1,712 | 795 | 29 | 396 | 54 | 1,304 | 3,016 |
| SULLIVAN | 7,887 | 694 | 8,858 | 1,292 | 18,731 | 8,403 | 581 | 4,368 | 556 | 13,908 | 32,639 |
| SUMNER | 7,856 | 635 | 7.287 | 779 | 16,557 | 8,226 | 515 | 2,866 | 310 | 11,917 | 28,474 |
| TIPTON | 3,650 | 344 | 3,458 | 396 | 7,818 | 3,822 | 291 | 1,336 | 130 | 5,579 | 13,397 |
| TROUSDALE | 524 | 89 | 485 | 73 | 1,150 | 502 | 39 | 243 | 34 | 818 | 1,968 |
| UNICOI | 626 | 102 | 1,030 | 254 | 2,325 | 1,046 | 80 | 488 | 116 | 1,730 | 4,055 |
| UNION | 1,369 | 126 | 1,242 | 158 | 2,895 | 1,308 | 101 | 684 | 87 | 2,180 | 5,075 |
| VAN BUREN | 325 | 31 | 326 | 61 | 743 | 320 | 27 | 180 | 20 | 607 | 1,350 |
| WARREN | 2.856 | 225 | 2,786 | 425 | 6,292 | 2,979 | 186 | 1,323 | 188 | 4,676 | 10,968 |
| WASHINGTON | 5,726 | 485 | 6,447 | 920 | 13,608 | 2,900 | 382 | 2,992 | 425 | 669'6 | 23,307 |
| WAYNE | 817 | 73 | 828 | 165 | 1,913 | 829 | 80 | 426 | 71 | 1,436 | 3,349 |
| WEAKLEY | 1,814 | 174 | 2,012 | 307 | 4,307 | 1,882 | 142 | 026 | 110 | 3,084 | 7,391 |
| WHITE | 1.749 | 163 | 1,774 | 307 | 3,993 | 1,862 | 122 | 972 | 126 | 3,082 | 7,075 |
| WILLIAMSON | 3,252 | 231 | 2,645 | 398 | 6,494 | 3,427 | 230 | 1,062 | 151 | 4,870 | 11,364 |
| WILSON | 5,015 | 370 | 4.670 | 472 | 10,527 | 5,207 | 293 | 1,840 | 190 | 7,530 | 18,057 |
| Other | 2,744 | 268 | 3,070 | 131 | 6,213 | 2,916 | 183 | 1,229 | 75 | 4,403 | 10,616 |
| Grand Total | 383240 | 31432 | 369601 | 47000 | 831273 | 399280 | 25432 | 156936 | 20766 | 602414 | 1,433,687 |
| | | | | | | | | | | | |

Reports include some membership additions that are the result of retroactivity; however, additional retroactivity may still occur. The "Other" county category reflects recipients who are Tennessee residents for which their domicile is temporarily located outside of the state.

| SUPPORT LETTERS | |
|-----------------|--|
| | |
| | |
| | |

SUPPORT LETTERS



State of Tennessee Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

September 1, 2015

John Wellborn Development Support Group 4219 Hillsboro Road, Suite 210 Nashville, TN 37215

RE: Certificate of Need Application -- TriStar Summit Medical Center Satelite ED Mt. Juliet - CN1508-031

To establish an 8 treatment room satellite emergency department facility to be constructed at an unaddressed site in the southwest quadrant of the intersection of I-40 and Beckwith road (near Interstate 40, Exit 229), Mt. Juliet (Wilson County), TN 37122. The site is approximately 100 yards west of Beckwith Road on an access drive at Smryna Ready Mix, whose address is 4910 Beckwith Road. The estimated project cost is \$11,106,634.

Dear Mr. Wellborn:

This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need. Please be advised that your application is now considered to be complete by this office.

Your application is being forwarded to Trent Sansing at the Tennessee Department of Health for Certificate of Need review by the Division of Policy, Planning and Assessment. You may be contacted by Mr. Sansing or someone from his office for additional clarification while the application is under review by the Department. Mr. Sansing's contact information is Trent.Sansing@tn.gov or 615-253-4702.

In accordance with Tennessee Code Annotated, §68-11-1601, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project will begin on September 1, 2015. The first sixty (60) days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the sixty (60) day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review within the thirty (30)-day period immediately following. You will receive a copy of their findings. The Health Services and Development Agency will review your application on November 18, 2015.

Mr. Wellborn September 1, 2015 Page 2

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (3) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (4) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,

Melanie M. Hill Executive Director

Welam In Well

cc: Trent Sansing, TDH/Health Statistics, PPA



State of Tennessee Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 **www.tn.gov/hsda** Phone: 615-741-2364 Fax: 615-741-9884

MEMORANDUM

TO:

Trent Sansing, CON Director

Office of Policy, Planning and Assessment

Division of Health Statistics

Andrew Johnson Tower, 2nd Floor 710 James Robertson Parkway

Nashville, Tennessee 37243

FROM:

Melanie M. Hill

Executive Director

DATE:

September 1, 2015

RE:

Certificate of Need Application

TriStar Summit Medical Center Satelite ED Mt. Juliet -CN1508-031

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on September 1, 2015 and end on November 1, 2015.

Should there be any questions regarding this application or the review cycle, please contact this office.

Enclosure

cc:

John Wellborn

LETTER OF INTENT -- HEALTH SERVICES & DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Tennessean, which is a newspaper of general circulation in Wilson County, Tennessee, on or before August 10, 2015, for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that TriStar Summit Medical Center Emergency Department at Mt. Juliet (a proposed satellite emergency department of TriStar Summit Medical Center, a hospital), to be owned and managed by HCA Health Services of Tennessee, Inc. (a corporation), intends to file an application for a Certificate of Need to establish a satellite emergency department facility at an unaddressed site in Wilson County, in the southwest quadrant of the intersection of I-40 and Beckwith Road (near Exit 229). The site is approximately 100 yards west of Beckwith Road on an access drive at Smyrna Ready Mix, whose address is 4910 Beckwith Road. The project cost is estimated at \$11,107,000.

The proposed satellite facility will contain eight treatment rooms. It will provide emergency diagnostic and treatment services, for which all necessary diagnostic services will be available, including laboratory, X-ray, ultrasound, and CT scanning. It will not contain major medical equipment, or initiate or discontinue any other health service, or affect any facility's licensed bed complements. The facility will be operated under TriStar Summit Medical Center's 196-bed acute care hospital license, granted by the Board for Licensing Health Care Facilities.

The anticipated date of filing the application is on or before August 14, 2015. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.

ture) (Date) jwdsg@comcast.net (E-mail Address)

Supplemental #1 -COPY-

TriStar Summit Medical Center Emergency Department at Mount Juliet

CN1508-031

$\overline{\mathrm{DSG}}$ Development Support Group

AUG 26 15 9/8/51

August 25,2015

Phillip M. Earhart, HSD Examiner Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

RE: CON Application CN1508-031

TriStar Summit Medical Center Emergency Department at Mount Juliet

Dear Mr. Earhart:

This letter responds to your August 21 request for additional information on this application. The items below are numbered to correspond to your questions. They are provided in triplicate, with affidavit.

1. Section A., Applicant Profile, Item 1
"Horizon Concrete" is in parenthesis next to the address of 4910 Beckwith Road. Please clarify.

The site is unaddressed. It is on an unimproved gravel road whose entrance and closest addressed site is 4910 Beckwith Road, a concrete company known locally and mentioned in the legal notice for the purposes of providing the public with good directions to the site.

Attached is a revised page 1R omitting reference to this distinguishing feature of the location.

2. Section A., Applicant Profile, Item 6
Please provide a copy of the deed from B & B Enterprises.

We respectfully request that the valid purchase option submitted in the application be accepted as sufficient documentation of site control, as has been HSDA practice in the past. If the seller's deed is required, it will be provided under separate cover.

PART A

1. Name of Facility, Agency, or Institution

| TriStar Summit Medical Center Emergency I | Department at Mount | t Juliet | | |
|--|-----------------------|------------------------|--|--|
| Name | | | | |
| Unaddressed site in the southwest quadrant o | f the intersection of | I-40 and Beckwith Road | | |
| (Exit 229), 100 yards west of Beckwith Road Wilson | | | | |
| Street or Route | | County | | |
| Mt. Juliet | TN | 37122 | | |
| City | State | Zip Code | | |

2. Contact Person Available for Responses to Questions

| John Wellborn | Consultant | | |
|--------------------------------|-------------------|-------|--------------|
| Name | Title | | |
| Development Support Group | jwdsg@comcast.net | | |
| Company Name | E-Mail Address | | |
| 4219 Hillsboro Road, Suite 210 | Nashville | TN | 37215 |
| Street or Route | City | State | Zip Code |
| CON Consultant | 615-665-2022 | | 615-665-2042 |
| Association With Owner | Phone Nun | nber | Fax Number |

3. Owner of the Facility, Agency, or Institution

| HCA Health Services of Tennessee, Inc. | | 615-316-3000 | |
|---|------------|--------------|--|
| Name | | Phone Number | |
| c/o TriStar Summit Medical Center Admir | nistration | | |
| 5655 Frist Boulevard | | Davidson | |
| Street or Route | | County | |
| Hermitage | TN | 37211 | |
| City | State | Zip Code | |

4. Type of Ownership or Control (Check One)

| | | F. Government (State of TN or | | |
|---------------------------------|---|-------------------------------|--|--|
| A. Sole Proprietorship | | Political Subdivision) | | |
| B. Partnership | | G. Joint Venture | | |
| C. Limited Partnership | | H. Limited Liability Company | | |
| D. Corporation (For-Profit) | X | I. Other (Specify): | | |
| E. Corporation (Not-for-Profit) | | | | |

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS

3. Section B, Project Description, Item I.

a. What will the applicant do if this application is denied?

The applicant will not speculate about this, so early in this process. The applicant's options--appeal; re-application; application at a different location; and suspension of an FSED project--would need to take into consideration the HSDA's cited reasons for denial of the application.

b. Please provide a brief overview of the Emergency Physician Group that will be staffing the ER.

The Emergency Physician Group EmCare, a nation-wide Physician staffing organization that staffs Summit Medical Center's main ED, will be the group that staffs the satellite ER. EmCare staffs various Satellite ED's across the country and in Tennessee.

c. It appears the Mental Health Cooperative's mobile crisis team would respond to Summit Medical Center's main ED in Davidson County, and Volunteer Behavioral Health in Wilson County. How would this impact referral patterns and coordination of care for inpatient behavioral health services.

The applicant does not anticipate that the project will have any impact on referral patterns and coordination for inpatient behavioral health services. The applicant's main campus does not offer inpatient behavioral care, so both the mobile crisis teams that were listed will assist in patient placement.

d. Please clarify if additional mobile crisis staff and police officers would be needed to cover an additional emergency department.

The applicant is unable to answer staffing questions about other entities. The project is providing its own security guard. On occasion, the local mobile crisis staff and police may have to respond to a patient with serious behavioral issues of this type; but that is something they would have to do at another location, if this project were not built. Hopefully the availability of emergency care in this area would provide a safe and more accessible location for persons and families facing severe emotional issues.

e. Please clarify if Emergency patients with the Blue Cross Blue Shield plan S will be in network for the proposed satellite ER. If not, will these patients be required to pay out of network copays? If so, what will be their out of pocket expense.

The applicant currently does not contract with Blue Cross Blue Shield Plan S. Therefore, patients may be responsible for out-of-network copays. This will depend on the benefits allowed on their individual or group plans. TriStar Summit Medical Center complies with all EMTALA regulations and will provide emergency treatment to all patients regardless of ability to pay.

f. Many times emergency room copays are waived if the patient is admitted inpatient. Please clarify if this arrangement is possible at the proposed satellite ER.

Benefits plans typically revert from "Emergency" benefits to "Inpatient" benefits once a patient is admitted. It is not completely accurate to say that emergency room co-pays are waived; it is more appropriate to say that emergency co-pays are not due for a patient who becomes an inpatient.

g. On Monday December 15, 2014, Tennessee Gov. Bill Haslam unveiled his Insure Tennessee plan, a two year pilot program to provide health care coverage to Tennesseans who currently don't have access to health insurance or have limited options. The program rewards healthy behaviors, prepares members to transition to private coverage, promotes personal responsibility and incentivizes choosing preventative and routine care instead of unnecessary use of emergency rooms. What will the impact of Insure TN have on the applicant's volume projection?

The Insure Tennessee proposal has been rejected twice by the Tennessee General Assembly in 2015. Governor Haslam has stated publicly that he will not re-introduce the program next year. Therefore, no impact study has been performed.

h. Please clarify if an ambulance will be stationed at the satellite ED 24 hours/day, 7days/week, 365 days/year for life-threatening transports to full service hospitals.

That is not part of the applicant's current plan. Local EMS authorities determine the distribution of ambulance sites. If requested by those authorities to help provide a station at this exit, the applicant will work with EMS to enable that to occur. There is not enough acreage in the FSED site to accommodate an ambulance station; but vacant land may be available nearby. The applicant will pursue partnership with an ambulance organization to provide transfer services if granted approval.

i. If a patient is admitted to the satellite ED, and is then transferred to the main ED, is there one ER charge or two?

No; there would be only one ED charge.

j. What percentage of patients will have to be transferred to Summit for inpatient admission or observation status? Can a patient be in observation status at satellite ER?

The experience of the applicant's company at similar facilities in Spring Hill and Dickson is that such transfers for observation may be approximately 1.3%, and transfers for admission to the parent hospital may be approximately 1.9%. The facility would not keep patients in observation status.

k. Please discuss if the role of telemedicine in the emergency department and the possibilities of using an off-site physician to examine ER patients during overcrowding. Please include in your response if the new proposed satellite ER will have telemedicine capabilities. If so, what will the capabilities be?

The applicant's proposed satellite ER will have telemedicine capabilities for some psychiatric consults, similar to what is available at the main ER. The satellite ER will always be staffed with an Emergency Medicine physician on site and will not use telemedicine to provide this service. Currently, no other specialist is credentialed for telemedicine in the emergency setting.

l. What types of innovative programs have been implemented by the applicant to ease emergency department overcrowding?

The applicant has implemented numerous initiatives to ease emergency department over-crowding by improving patient throughput. Among those are:

- Implementation of a Surge Capacity Plan that includes a detailed definition of three different levels of capacity house-wide and outlines the specific actions to be taken at each level of capacity in order to decompress capacity.
- Implementation of a plan to ensure that all patients are seen by a provider in a targeted time of 10 minutes or less and that the low acuity patients have their issues resolved quickly for faster discharge.
- The applicant has implemented the use of telemedicine within our Emergency department for use in tele-psychiatry.
- Targets have been set for Turnaround Times for ancillary services such as Lab and Imaging and action plans have been implemented to achieve those turnaround times.
- Staffing levels for providers and staff are continually reviewed based on trends for time of arrival and appropriate adjustments are made.

m. It is noted TriStar HCA has chosen to relocate the proposed satellite emergency department next to Interstate 40, Exit 229 East of Davidson County. It is also noted Horizon Medical Center owned by HCA recently opened a satellite emergency department in Dickson County next to Exit 172 Interstate 40 West of Davidson County. In addition, TriStar HCA was denied at the March 25, 2015 Agency meeting for Southern Hills Medical Center Emergency Department at I-65 which is South of Davison County. With this in mind, please discuss the reason the Interstate System is the best location for satellite emergency services.

Interstate access provides the fastest means of ground transportation for the highest number of the patient population. For healthcare related projects in general, interstate or other major thoroughfare access is generally a top priority for site location. This is true for the projects listed above and for the applicant in the case of this project.

n. It is noted Summit remodeled the main emergency department in 2008. Please discuss the degree of disruption experienced.

The applicant's renovation and expansion project was completed in 2011, expanding the number of treatment rooms from 23 to 31.

During this extensive project, there were prolonged periods where the applicant's available rooms were reduced to only 13 rooms, disrupting patient care and the overall patient experience. Patients were forced to walk great distances as a significant portion of the ED was under construction. The disruption led to decreased access to care, negative patient experiences and delays in patient treatment.

o. It is noted the applicant operates a satellite ED of TriStar Hendersonville Medical Center in Portland, TN. Please discuss how HCA gained approval to operate the Portland satellite ED.

CON approval for that was not required.

The Portland facility is what remains of a former Adventist hospital that was acquired by HCA years ago, along with the Adventist hospital in Madison (which is now under the TriStar Skyline Medical Center license). Portland was a facility that could not be kept open for inpatient care due to lack of demand and the excessive cost of updating it to HCA facility standards. Emergency services in Portland have been maintained as a community resource and access point for the Portland community; but this was not originally a freestanding emergency department designed for that purpose.

p. If the purpose of the project is to serve Mt. Juliet, why are two of the three ZIP codes in Lebanon?

These two zip codes are not completely within the City of Lebanon. Zip codes are designed by the U.S. Postal Service, and are given the name of the closest post office. As maps show, these are expansive zip codes that encompass large parts of Wilson County outside the City of Lebanon. The zip codes utilized in the application are the three contiguous zip codes from which most of the project's utilization will originate.

q. It appears University Medical Center is located within zip code 37087. Please explain the reason zip code 37087 was included in the service area when there is already a full service emergency department located there.

As stated above, this and the other zip codes encompass very large areas of Wilson County. Many residents of this zip code currently come to physicians and facilities at Summit for their healthcare needs and would prefer to use this facility rather than the main campus ED, for reasons of convenience. An emergency services facility at Exit 229 will be readily accessible to many who live, work, and drive in this zip code.

r. What is the distance between the western Wilson County line on Interstate 40 and the proposed ER satellite Interstate 40, Exit 229 location?

The distance is approximately 6.6 miles.

- 4. Section B, Project Description, Item II.A.
 - a. What is the distance of the proposed ER from the Interstate 40 #229 exit ramp?

The driving distance from the entrance of the Interstate 40 Exit #229 to the proposed site, barring any additional entrances being developed, is only a half-mile, or approximately 880 yards.

b. Table Two on page 10 is noted. Please clarify the reason there are no trauma rooms planned for the satellite ER.

The trend in architectural design today is to reserve the term "trauma room" for the very large and heavily equipped treatment rooms in designated "trauma centers" such as Vanderbilt and TriStar Skyline Medical Center. This project has an oversized treatment room for "resuscitation", for the most seriously ill or injured patients (Level V) who are appropriate to an FSED setting. Not calling it a trauma room is in deference to the actual designated trauma centers now being designated as part of regional EMS planning. There are no plans to designate the satellite ER as a trauma center, thus there is not a need for a trauma room.

c. Please provide an overview of the emergency physician group that is planned to staff the proposed ER.

This duplicates question 3b above. Please refer to that response.

- d. The square footage and costs per square footage chart is noted. Please address the following:
- (1) The chart appears to not be printed in its entirety. Please provide a replacement square footage and costs per square footage chart.

The copy store seems to have pulled the chart through at a very slight angle when making the filing copies, although all data in our copies is clearly visible. A replacement chart is attached following this page, so your copies can be as straight as the original. It has been amended by correcting the total project SF and cost PSF, as described immediately below in response d(2).

(2 Please clarify the reason the applicant did not include 2,384 SF of canopies in Table Three B, but did include the \$709,120 canopy construction cost in calculating the Construction Cost PSF of \$475.00.

The corporate cost estimation of the facility did include the full cost of construction including the canopies. Canopy square footage should have been included in Table Three-B, and should have been reflected in the SF figure on line A.5 of the Project Cost Chart. To correct those, revised pages 14R, 52R, and 54R are attached after this page, following the Cost PSF Chart referenced above. The construction cost PSF including canopy construction is now reduced to \$374 PSF.

However, the applicant prefers not to change narrative references to this being an 8,864 SF facility, because that is its footprint. The footprint or floor space in a facility is the most informative number in describing it. Overhangs are not usually included in narrative descriptions.

(3) The map on page 21 is noted. However, please revise the map to include the location of University Medical Center and resubmit.

The requested map is attached after this page.

TRI-STAR SUMMIT MEDICAL CENTER @ MT. JULIET SQUARE FOOTAGE AND COST PER SQUARE FOOTAGE CHART

APPLICANTS WITH HOSPITAL PROJECTS (CONSTRUCTION COST IN EXCESS OF \$5 MILLION) AND OTHER FACILITY PROJECTS (CONSTRUCTION COST IN EXCESS OF \$2 MILLION) SHOULD COMPLETE THE SQUARE FOOTAGE AND COSTS PER SQUARE FOOTAGE CHART.

UTILIZING THE ATTACHED CHART, APPLICANTS WITH HOSPITAL PROJECTS SHOULD COMPLETE PARTS A-E BY IDENTIFYING, AS APPLICABLE, NURSING UNITS, ANCILLARY AREAS, AND SUPPORT AREAS AFFECTED BY THIS PROJECT. PROVIDE THE LOCATION OF THE UNIT/SERVICE WITHIN THE EXISTING FACILITY ALONG WITH CURRENT SQUARE FOOTAGE, WHERE, IF ANY, THE UNIT/SERVICE WILL RELOCATE TEMPORARILY DURING CONSTRUCTION AND RENOVATION, AND THEN THE LOCATION OF THE UNIT/SERVICE WITH PROPOSED SQUARE FOOTAGE. THE TOTAL COST PER SQUARE FOOT SHOULD PROVIDE A BREAKOUT BETWEEN NEW CONSTRUCTION AND RENOVATION COST PER SQUARE FOOT. OTHER FACILITY PROJECTS NEED ONLY COMPLETE PARTS B-E.

See Attachment B.II.A.

PLEASE ALSO DISCUSS AND JUSTIFY THE COST PER SQUARE FOOT FOR THIS PROJECT.

Hospital construction projects approved by the HSDA during 2010-2013 proposed the following construction costs per SF:

| | : CON Approved Proj Years 20 | 112-2014 | |
|--------------------------|---------------------------------|---------------------|-----------------------|
| | Renovated Construction | New Construction | Total Construction |
| 1st Quartile | \$110.98/sq ft | \$224.09/sq ft | \$156.78/sq ft |
| Median | \$192.46/sq ft | \$259.66/sq ft | \$227.88/sq ft |
| 3 rd Quartile | \$297.82/sq ft | \$296.52/sq ft | \$298.66/sq ft |

Source: HSDA Registry; CON approved applications for years 2012 through 2014.

This project's new construction cost exceeds the above averages:

| Renovation | roject's Construction Cos | Total Project |
|------------|---------------------------|-----------------|
| 0 | 11,248 | 11,248 |
| 0 | \$4,210,400 | \$4,210,400 |
| 0 | | \$374.32 |
| | 0 0 0 | Itemo (tetro : |

However, its construction cost is appropriate for several reasons.

PROJECT COSTS CHART--TRISTAR SUMMIT SATELLITE EMERGENCY DEPARTMENT AT MT JULIET

| A. | Construction and equipment ad | equired by purchase: | | | |
|----|---|-----------------------|--|----|--|
| | | sultant Fees (Excl Co | ON Filing Fee) 1,248 SF Contract) 550,000) | \$ | 379,000 50,000 1,400,000 1,500,000 4,210,400 685,300 1,700,000 650,000 272,000 |
| В. | Acquisition by gift, donation, o | or lease: | | | |
| | Facility (inclusive of buildi Building only Land only Equipment (Specify) Other (Specify) | ng and land) | | | 0 0 0 0 |
| C. | Financing Costs and Fees: | | | | |
| | Interim Financing Underwriting Costs Reserve for One Year's Degree Other (Specify) | ebt Service | · · · · · · · · · · · · · · · · · · · | | 235,000 0 0 |
| D. | Estimated Project Cost (A+B+C) | | | | 11,081,700 |
| E. | CON Filing Fee | | | | 24,934 |
| F. | Total Estimated Project Cost | (D+E) | TOTAL | \$ | 11,106,634 |
| | | | Actual Capital Co Section B FMV | st | 11,106,634 0 |

C(II).3. DISCUSS AND DOCUMENT THE REASONABLENESS OF THE PROPOSED PROJECT COSTS. IF APPLICABLE, COMPARE THE COST PER SQUARE FOOT OF CONSTRUCTION TO SIMILAR PROJECTS RECENTLY APPROVED BY THE HSDA.

Hospital construction projects approved by the HSDA during 2010-2013 proposed the following construction costs per SF:

| Table Three-A (R | REPEATED): CON Ap Cost Years 20 | PSF | -Hospital Construction |
|--------------------------|---------------------------------------|---------------------|------------------------|
| | Renovated Construction | New Construction | Total Construction |
| 1 st Quartile | \$110.98/sq ft | \$224.09/sq ft | \$156.78/sq ft |
| Median | \$192.46/sq ft | \$259.66/sq ft | \$227.88/sq ft |
| 3 rd Quartile | \$297.82/sq ft | \$296.52/sq ft | \$298.66/sq ft |

Source: HSDA Registry; CON approved applications for years 2012 through 2014.

This project's new construction cost exceeds the above averages:

| Table Three | e-B (REPEATED): | This Project's Construc | tion Costs |
|-------------------|-----------------|-------------------------|---------------|
| | Renovation | New Construction | Total Project |
| Square Feet | 0 | 11,248 | 11,248 |
| Construction Cost | 0 | \$4,210,400 | \$4,210,400 |
| Constr. Cost PSF | 0 | \$374.32 | \$374.32 |

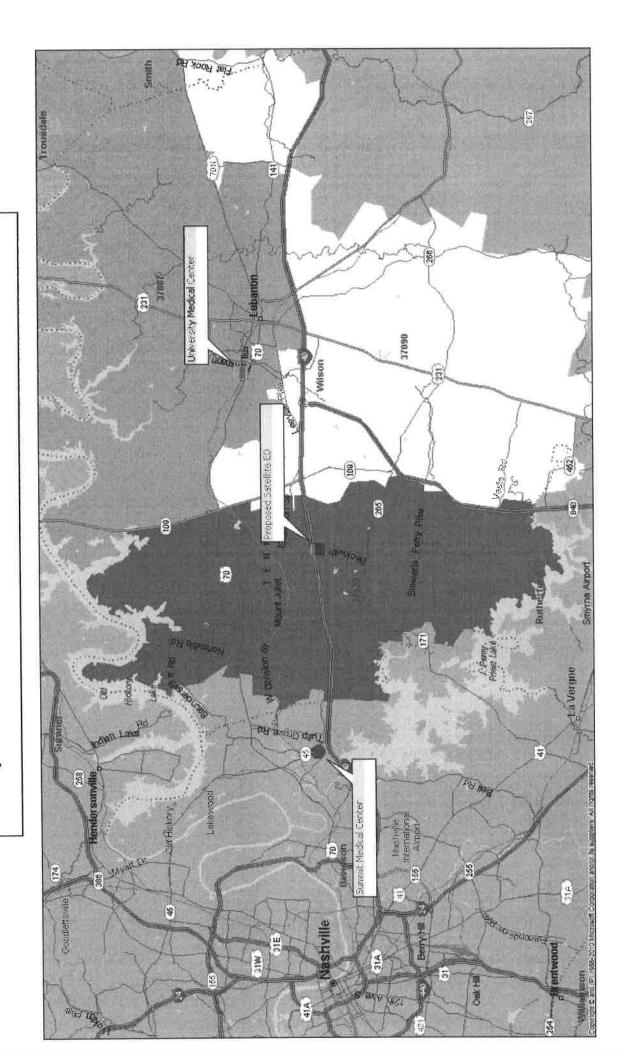
However, its construction cost is appropriate for several reasons.

First, the facility is very small; and such small projects usually show a relatively high cost per SF compared to larger projects, because larger projects spread site mobilization and related costs over a larger square footage, when calculating costs PSF.

Second, this project's construction cost will be incurred primarily in CY 2016, which is three years later than the midpoint year of the HSDA Registry cost averages. Increased cost of construction should be expected over a three-year period.

Third, this project's cost estimate is based on current FSED costs in other States where the applicant's development team is building this type of facility.

Proposed Satellite Emergency Department Service Area



(4). In light of the \$475.00 Cost PSF for the proposed smaller square footage Satellite ED, how is this project a cost-effective and cost efficient project?

As discussed in response 4.d (2) above, the new cost per square foot is approximately \$374. While this still is above the third quartile average in HSDA records for "hospital construction", nonetheless the project is cost-effective. The capital cost of developing these facilities is completely market-driven based on construction costs that are competitively bid. The costs projected in this application are experienced-based, meaning that those who design and build these facilities in multiple locations are experiencing this level of cost and its annual inflation. Your HSDA average construction costs for "hospital projects" are not useful guides to what an FSED should, or will, cost. They are not based on FSED construction costs. They average a wide variety of large and small hospital projects Statewide; and they use cost estimate data from long before the year in which his project will be constructed. Construction costs are rising steadily.

5. Section B, Project Description, Item II.D.

Table Four on page 18 which lists the historic and projected community demand for visits CV2010-2021 is noted. However, there appears to be discrepancies with figures reported in the 2011-2013 joint annual reports and what is reported in the application. Please refer to the following table in addressing the following questions:

The Joint Annual Reports for TriStar Summit Medical Center for 2010-2014 show the following visit data in all categories. Summit's FSED CON application, as stated in its narrative, uses "presenting" visits for projection purposes, but must use "treated" visits for financial analysis because the latter were patients who were actually billed.

| Summit Medical | Center Joint Annual | Reports Currently | On File at TDH |
|------------------|---------------------|-------------------|------------------|
| Year of JAR | Presenting (p. 38) | Treated (p. 38) | By Payor (p. 36) |
| 2010 | 46,634 | 46,621 | 46,621 |
| 2011 | 47,191 | 47,981 | 47,191 |
| 2012 | 52,870 | 52,862 | 52,862 |
| 2013 | 51,552 | 50,834 | 52,530 |
| 2014 Provisional | 55,154 | 55,154 | 55,154 |

Applicant's Table Four (p. 18 of application) had only one discrepancy with the Joint Annual Reports of the hospital at the time of filing: In 2010, the application's Table Four showed 46,621 patients presenting, whereas the JAR showed 46,634 presenting. That error of 0.03% (134 visits) by itself makes no difference in the projections shown in Table Four; but the correction has been made in the application tables.

However, as HSDA staff has noted, in <u>2011</u> the hospital JAR reported 790 more patients treated (47,981) than presenting (47,191), which cannot be accurate. Upon further investigation, Summit has identified an internal transposition error, and will send a written amendment of the data to TDH. The amendment of page 38 will show 47,981 visits presenting and 47,191 treated.

A similar clerical error was found to have occurred on the 2013 JAR. The numbers were transposed in error. The hospital's corrections are for 52,530 presenting visits, 50,834 visits treated, and 50,834 visits by payor. This too is being corrected with a letter to TDH.

With these changes, the amended JAR's for Summit will show:

| Summit I | Medical Center Joint | Annual Reports Al | MENDED |
|------------------|----------------------|-------------------|------------------|
| Year of JAR | Presenting (p. 38) | Treated (p. 38) | By Payor (p. 36) |
| 2010 | 46,634 | 46,621 | 46,621 |
| 2011 | 47,981 | 47,191 | 47,191 |
| 2012 | 52,870 | 52,862 | 52,862 |
| 2013 | 52,530 | 50,834 | 50,834 |
| 2014 Provisional | 55,154 | 55,154 | 55,154 |

Attached after this page are a revised replacement pages 18R, Table Four, and 48R, Table Twelve A-B, which contain corrected historic visit data (presenting). None of the changes affects the applicant's projections in these tables.

| Matter M | | Table Four (Revised on Supplemental): TriStar Summit Medical Center Emergency Department Historic and Projected Community Demand for Visits CY2010-CY2021 (Without Additional Treatment Rooms) Compared to Planning Standards for Optimal Utilization | ed on Sup mmunity Compare | plement Demand | al); TriS for Visit nning St | tar Sum ts CY201 andards | on Supplemental): TriStar Summit Medical Center Emergency Department munity Demand for Visits CY2010-CY2021 (Without Additional Treatment Rompared to Planning Standards for Optimal Utilization | cal Cente 1 (Withornal Calical | ar Emerg out Addit zation | ency De ional Tre | partmen | t Rooms) | | |
|--|-----|---|---------------------------------|-------------------|------------------------------------|--------------------------------|--|---|---------------------------------|----------------------|----------------|----------------------|----------------|----------------|
| Historic & Projected Community Demand Vear 2017 2018 2019 2020 2020 Mistoric & Projected Community Demand 46,634 47,981 52,530 55,154 58,910 60,677 62,498 64,373 66,304 68,293 9010-2015 Increase Over Prior Year 2,996 10,2% -0.6% 5.0% 6,87% 3.0% | | | 1 | | ACTU/ | | | | | COMMUN | IITY DEM/ | AND PROJ | ECTION | |
| Historic & Projected Community Demand 46,634 47,981 52,870 52,530 55,154 58,910 60,677 62,498 64,373 66,304 68,293 3.0% 6.8% 3.0% 3.0% 3.0% 3.0% 3.0% 3.0% 3.0% 3.0 | | > | 2010 | 2011 | 2012 | 2013 | 2014 | Ann'd 2015 | 2016 | Year 1 2017 | Year 2 2018 | Year 3 2019 | Year 4 2020 | Year 5 2021 |
| Historic & Projected Community Demand | | | 2407 | | | | | | | | | | | |
| % Increase Over Prior Year 2.9% 10.2% 5.0% 6.8% 3.0% <t< td=""><td>< 4</td><td></td><td>46,634</td><td>47,981</td><td>52,870</td><td>52,530</td><td>55,154</td><td>58,910</td><td>60,677</td><td>62,498</td><td>64,373</td><td>66,304</td><td>68,293</td><td>70,342</td></t<> | < 4 | | 46,634 | 47,981 | 52,870 | 52,530 | 55,154 | 58,910 | 60,677 | 62,498 | 64,373 | 66,304 | 68,293 | 70,342 |
| % Increase Over Prior Year 2.5% 10.2% 10 | | | | /00 1 | 40.00% | -0 60% | 7 U0% | 6 8% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| 2010-2015 Increase (CAGR) Exam/Treatment Rooms Exam/Treatment Rooms Average Visits/Room 1,504 1,504 1,504 1,504 1,605 1,779 1,900 1,957 2,016 2,077 2,139 2,203 Average Visits/Room 1,504 1,504 1,504 1,800 | m | % Increase Over Prior Year | | 2.3% | 10.270 | 0.000 | 200 | 4 80% | | | | | | |
| Exam/Treatment Rooms 31 32 32 32 32 32 32 32 32 32 32 32 32 32 32 4 35 4 35 4 35 4 35 4 35 4 35 4 35 4 35 4 35 4 4 | U | | | 110 | | | The second | 200 | | | | | | |
| Exam/Treatment Rooms 31 32 <td>3</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>24</td> <td>24</td> <td>24</td> <td>31</td> <td>31</td> <td>31</td> <td>31</td> | 3 | | | | | | | 24 | 24 | 24 | 31 | 31 | 31 | 31 |
| Additional Rooms Needed © 1,500 Visits/Room 1,504 1,548 1,705 1,695 1,779 1,900 1,957 2,016 2,077 2,139 2,203 HCA Standard - Optimal Visits/Room 1,800 | Δ | | 31 | 31 | 31 | 31 | 31 | 10 | 31 | 10 | - | | | |
| HCA Standard-Optimal Visits/Room | U | August Vieite/Boom | 1.504 | 1,548 | 1,705 | 1,695 | 1,779 | 1,900 | 1,957 | 2,016 | 2,077 | 2,139 | 2,203 | 2,269 |
| HCA Standard-Optimal Visits/Room 1,800 1 | u | Avelage Visits/ Motifi | | | | | | | | | | Section of the least | The second | S. 19 |
| Name | Ц | UCA CtandardOntimal Visits/Room | 1.800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Rooms Needed © 1,800 Visits/Room 26 27 29 31 33 34 35 36 37 38 Additional Rooms Needed to Meet Standard Currently Standard Currently 100.3% 1,500 1,50 | - | % of Standard Currently | 83.6% | 86.0% | 94.7% | 94.1% | 98.8% | 105.6% | 108.7% | 112.0% | 115.4% | 118.8% | 122.4% | 126.1% |
| Additional Rooms Needed to Meet Standard -5 -4 -2 -2 0 2 3 4 5 6 7 Additional Rooms Needed to Meet Standard Currently 100.3% 13.2% 113.7% 113.0% 1500 1,500 | | Rooms Needed @ 1,800 Visits/Room | 26 | 27 | 29 | 29 | 31 | 33 | 34 | 35 | 36 | 37 | 38 | 2 |
| Industry Standard-Optimal Visits/Room 1,500 | | Additional Rooms Needed to Meet Standard | -5 | 4- | -2 | -2 | 0 | 2 | m | 4 | 2 | o. | , | α |
| Industry Standard - Optimal Visits/Room | | | | | | | 000 | , | 1 | 1 500 | 1 500 | 1 500 | 1 500 | 1.500 |
| % of Standard Currently 100.3% 113.7% 113.0% 118.6% 126.7% 130.5% 134.4% 138.4% 142.6% 142.6% 145.4% 145.4% 145.4% 145.6% 145.6% 145.4% 145.4% 145.6% | Ü | | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | חחביד | 707 707 | 1,000 | 177 COL | 145 00% | 151 30% |
| 31 32 35 35 37 39 40 42 43 44 4b 0 1 4 4 6 8 9 11 12 13 15 | | | 100.3% | 103.2% | 113.7% | 113.0% | 118.6% | 126.7% | 130.5% | 154.470 | 158.4% | 142.070 | 170.27v | 177.7 |
| 0 1 4 4 6 8 9 11 12 13 15 | | Rooms Needed @ 1,500 Visits/Room | 31 | 32 | 35 | 35 | 37 | 39 | 40 | 42 | 43 | 44 | 40 | 4/ |
| | | Additional Rooms Needed to Meet Standard | 0 | 1 | 4 | 4 | 9 | 8 | 6 | 11 | 12 | 13 | 15 | |

Sources:

1. Visits data from hospital records and managment projections. 2015 ED visits to SMC annualized on Jan-July.
2. HCA standards from HCA Corporate Design and Construction Staff.
3. Industry standards from Emergency Department Benchmarking Alliance.

Projected Main ED Visits (Table Four) Minus Visits Moving to Satellite ED Remaining Main Campus ED Visits

| 20 Yr 93 592 01 | Tab | Table Twelve-A: Satellite Impact on Main Campus ED Visits | welve-A: Satellite Imp Main Campus ED Visits | ite Impac Visits | t on |
|---|-----------|--|---|---------------------|-----------|
| 64,373 66,304 68,293 4,256 4,468 4,692 60,117 61,835 63,601 | Yr 1-2017 | Yr 2-2018 | Yr 3-2019 | Yr 4-2020 | Yr 5-2021 |
| 4,256 4,468 4,692 60,117 61,835 63,601 | 62,498 | | | 68,293 | 70,342 |
| 60,117 61,835 63,601 | 4,053 | | | 4,692 | 4,692 |
| | 58,445 | | 61,835 | 63,601 | 65,650 |

Note:40% of Satellite visits will be patients who otherwise would utilize Summit's Main ED.

| | Table Twelve-B (Revised Actual and Projected Visi | -B (Revised rojected Vis | ed on Sul isits CY2 | pplemen 2010-CYZ | tal): Tris 2021W | Star Sum ith Prope | mit Medi Sed Mt. ellite Em | on Supplemental): TriStar Summit Medical Center Emergency Department its CY2010-CY2021With Proposed Mt. Juliet Satellite ED Open in CY2017 of Visits Between Main and Satellite Emergency Departments | er Emerg tellite El Departn | gency De D Open i nents | spartmer n CY201 | nt 7 | |
|---|--|--------------------------|------------------------|---------------------|---------------------|-----------------------|----------------------------------|---|-----------------------------------|-------------------------------|--|----------------|----------------|
| | | וארו ווארוי | | ACTUAL | AL | | | | | PROJECTED | CTED | | |
| | | | | | 250 | 2100 | Ann'd | 2016 | Year 1 | Year 2 2018 | Year 3 2019 | Year 4 2020 | Year 5 2021 |
| | Year: | 2010 | 7107 | 7107 | 2013 | 1707 | 20102 | 2507 | | | | | |
| | | NC 2 2 N | 17 091 | 52 870 | 52 530 | 55 154 | 58,910 | 60,677 | 58,445 | 60,117 | 61,835 | 63,601 | 65,650 |
| V | Main Campus Visits | 40,034 | 1001/4 | 32,070 | 25/200 | 22/20 | 21 | 31 | 31 | 3.1 | 31 | 31 | 31 |
| | Main Campus Rooms | 31 | 31 | 31 | 21 | 70 | 100 | 1 1 | 100 | 7 | 1 | 2 052 | 2 1 1 8 |
| | Main Campus Visits/Room | 1,504 | 1,548 | 1,705 | 1,695 | 1,779 | 1,900 | 1,95/ | 1,885 | 1,939 | | 20077 | 2,110 |
| | | | | | H 2007 | The second | Company of the last | | | | | | |
| ٥ | Catallita Vieite | | | | | | | | 10,132 | 10,639 | 11,171 | 11,729 | 12,316 |
| | Satellite Visits | | | | | | | | 8 | 8 | 8 | 8 | ∞ |
| | Satellite Rooms | | | | | | | | 1.267 | 1,330 | 1,396 | 1,466 | 1,540 |
| | Satellite Visits Per Room | Call Addition | | | St. 10000 | | | | | | The state of the s | | |
| | | | 1 | C | 74 177 | 10 4 0 7 | 60 010 | 777 09 | 68 577 | 70 756 | 73.006 | 75.330 | 77,966 |
| ပ | Total Visits | 46,621 | 47,191 | 22,870 | 700,10 | 4CT/CC | 00,91U | 1,000 | 1100 | | | | 30 |
| | Total Rooms | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 39 | 39 | 53 | | 1 |
| | Total Visits Per Room | 1,504 | 1,522 | 1,705 | 1,663 | 1,779 | 1,900 | 1,957 | 1,758 | 1,814 | 1,872 | 1,932 | 1,999 |
| Ô | | | | | | | | | | | | The state of | |
| | THE RESERVE THE PARTY OF THE PA | | | | | | | | | | | | |

Sources: Hospital Records and Management Projections; and Table Four.

Specific Responses to Reviewer's Questions

a. Do the visits by payer include indigent and uninsured individuals?

Yes, they do. They are in the "other" and "self-pay" categories, respectively.

b. Why is there a less number of ER patients actually reported (A) in Table 4-Page 21 than what was reported as being treated by triage in (C) below in 2013 (-688), but a higher number (+790) in 2011?

Table Four on page 18 relied on the patient visits in the hospital's JAR's, which contained the error described above. That has been corrected in revised Table Four, attached above.

c. Please explain how the number of 52,230 ED visits by payer in B. below in 2013 is 678 visits higher than those reported as ED visits in the amount of 51,552 ED patients.

This has been corrected as explained above.

d. Why are there variances in the actual number of ED patients triaged in C. below of +790 in 2011 and -688 patients in 2013?

This has been corrected as explained above.

e. Why did the Joint Annual Reports representing 2011-2013 not use the same reporting methodology as 2010?

The reporting methodology did not change; minor clerical errors were made and those have been corrected in this submittal and its attachments.

f. Why were patients referred to a physician or clinic for treatment in 2010 (13 patients) and not treated in the ER, but in 2011-2013 none were reported.

The decision to triage patients to physicians' offices is one of medical necessity. In 2011-2013, no patients were triaged to medical offices, which coincides with the increase in acuity level over that time at Summit Medical Center's ER.

g. If the Joint Annual Reports for ED visits were reported in error for the years 2010-2013, please complete the table below reflecting the correct information. If ED visits are revised, please update the historical data chart.

The Historical Data Chart has been updated and is attached at another question in this response letter.

STAFF TABLE AFTER AMENDMENT OF JAR'S AND APPLICATION

| Total Summit MC Main Car | 2010 | 2011 | 2012 | 2013 |
|----------------------------|-------------------|--|---------------------|-------------------|
| | | | | |
| Reported in | 46,634 | 47,981 | 52,870 | 52,530 |
| Table 4-Page 18 | | | | |
| of application | | | | |
| 第10条本工程、数据工程、数据工程 | | | | |
| # visits by payer | | | | |
| Reported in Joint | 46,621 | 47,191 | 52,862 | 50,834 |
| Annual Report Page | | | | |
| 36 | | | | |
| | 12 | -790 | -8 | -1,696 |
| Difference in Table 4- | -13 | -/90 | -0 | -1,090 |
| Page 18 of application | | A I SHI HI I SVS | | 8 30 20 0 0 0 0 0 |
| | | The Control of the Co | | |
| Triage # Actual Treated | | | 70.000 | 50.004 |
| Reported in Joint | 46,621 | 47,191 | 52,862 | 50,834 |
| Annual Report-Page | | | | |
| 38 | | | | |
| Difference in Table 4- | Not in | Not in | Not in | Not in |
| Page 18 of application | Application | Application | Application | Application |
| | | ven les lorge | | |
| # of patients presented in | FR | | and the same of the | <u> </u> |
| Reported in Joint | 46,634 | 47,981 | 52,870 | 52,530 |
| 1 | 10,05 | .,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | , | , |
| Annual Report Page | | | | |
| Difference In Table 4 | 0 | 0 | 0 | 0 |
| Difference In Table 4- | " | U | | • |
| Page 18 of application | | and the control of | | |
| | mes sample in the | Blander on Erecti | 10 1 0 703 | |
| Total # not treated in | ER but referre | ed to physician | or clinic for T2 | X |
| Reported in Joint Annual | 13 | 0 | 0 | 0 |
| Report under Triage 8.C. | | | | |
| Page 38 | | | | |

STAFF TABLE PRIOR TO JAR AND APPLICATION AMENDMENTS

| Total Summit MC Main Can | 2010 | 2011 | 2012 | 2013 |
|--|---------------|-----------------|-------------------|----------|
| Reported in Table 4-Page 18 of application | 46,621 | 47,191 | 52,870 | 51,552 |
| A STATE OF THE STA | | | | |
| # visits by payer | | | | 50.000 |
| Reported in Joint Annual Report Page 36 | 46,621 | 47,191 | 52,862 | 52,230 |
| Difference in Table 4- Page 18 of application | 0 | 0 | -8 | +678 |
| Tage 10 of apprecion | | | | |
| Triage # Actual Treated | | | | |
| Reported in Joint Annual Report-Page 38 | 46,621 | 47,981 | 52,862 | 50,834 |
| Difference in Table 4- Page 18 of application | 0 | +790 | -8 | -688 |
| | | | | |
| # of patients presented in l | ER | | - | |
| Reported in Joint Annual Report Page 38 | 46,634 | 47,191 | 52,870 | 51,552 |
| Difference In Table 4- Page 18 of application | +13 | 0 | 0 | 0 |
| | | desploy and the | 12. 4. (2) | |
| Total # not treated in] | ER but referr | ed to physician | n or clinic for T | A |
| Reported in Joint Annual Report under Triage 8.C. Page 38 | 13 | 0 | 0 | 0 |

h. What is the average wait time within the ED at Summit Regional Medical Center for the month of July 2015?

In July, which is always a relatively low month for ED visits, the average time from patient arrival to first contact with an ED provider was 12 minutes.

i. Table Five-A is noted on page 20 with the Zip Code 37080 listed in the table. Please clarify if the zip code should be 37090. If so, please revise and submit a replacement page.

Thank you; that was a typographical error. Attached as the second following page is revised replacement page 20R correcting the zip code to 37090.

j. Table Six on page 22 of distance from the proposed project site to locations in the primary service area is noted. Please complete the same table for Summit's existing ED and University Medical Center's Emergency Department locations.

| Table Six-B (Supplemental): Distances and Drive Times From <u>Summit Medical Center</u> (in Hermitage) To Locations In the Primary Service Area Zip Codes | | | | | | |
|---|------------------------------|--------------------------------------|-------------------|---------------|--|--|
| Map Key | Community / Location | Zip Code and Its Post Office Name | Distance in Miles | Drive Time | | |
| 1 | Lebanon (at US 70 & US 231) | 37087 Lebanon | 20.2 mi. | 25 min. | | |
| 2 | LaGuardo | 37087 Lebanon | 20.2 mi. | 26 min. | | |
| 3 | Gladeville | 37090 Lebanon | 17.6 mi. | 21 min. | | |
| 4 | Cedars of Lebanon State Park | 37090 Lebanon | 20.9 mi. | 26 min. | | |
| 5 | Martha | 37090 Lebanon | 16.5 mi. | 22 min. | | |
| 6 | Leeville | 37090 Lebanon | 13 mi. | 18 min. | | |
| 7 | Mount Juliet City Hall | 37122 Mount Juliet | 6.7 mi. | 14 min. | | |
| 8 | Green Hill | 37122 Mount Juliet | 5.2 mi. | 14 min. | | |
| 9 | Rural Hill | 37122 Mount Juliet | 10.2 mi. | 19 min. | | |

| | Table Six-C (Supplemental): Distances and Drive Times From University Medical Center (in the City of Lebanon) | | | | | | |
|-----|---|-----------------------------------|----------------------|---------------|--|--|--|
| Мар | To Locations In the Pri | Zip Code and Its Post Office Name | Distance in Miles | Drive Time | | | |
| Key | Community / Location | 37087 | In whics | Time | | | |
| 1 | Lebanon (at US 70 & US 231) | Lebanon | 2.4 mi. | 6 min. | | | |
| | | 37087 | | | | | |
| 2 | LaGuardo | Lebanon | 10.5 mi. | 17 min. | | | |
| | | 37090 | | | | | |
| 3 | Gladeville | Lebanon | 11.8 mi. | 17 min. | | | |
| | | 37090 | | | | | |
| 4 | Cedars of Lebanon State Park | Lebanon | 11.0 mi. | 18 min. | | | |
| | | 37090 | | | | | |
| 5 | Martha | Lebanon | 6.8 mi. | 12 min. | | | |
| | | 37090 | | | | | |
| 6 | Leeville | Lebanon | 13.8 mi. | 19 min. | | | |
| | | 37122 | | | | | |
| 7 | Mount Juliet City Hall | Mount Juliet | 13.0 mi. | 21 min. | | | |
| | * | 37122 | | | | | |
| 8 | Green Hill | Mount Juliet | 15.6 mi. | 26 min. | | | |
| | 0.00 | 37122 | | | | | |
| 9 | Rural Hill | Mount Juliet | 19.3 mi. | 28 min. | | | |

The project will provide its benefits to a service area that already uses TriStar Summit Medical Center as one of its two largest providers of emergency care. In CY 2013 (2014 THA data is not complete), 28.7% of Wilson County residents in these zip codes who sought emergency care chose to utilize Summit. These three combined zip codes already generate more of Summit's annual ED visits than even its own home zip code in Hermitage. See Tables Five-A and Five-B below. More detailed utilization tables are provided in the responses to Section C(I)5 below (Area Utilization).

| | | of Wilson and I | imary Service A Davidson Count Y2013 | | |
|-----------------|-------------|---------------------------------|--|----------------------|----------------------|
| | | Emerge | ncy Departmen | t Visits to All Lo | cations |
| PSA Zip Code | Name | To Summit ED in Hermitage | To 4 Other HCA ED's in Davidson Co. | To UMC ED in Lebanon | To 25+ Other ED's |
| 37122 | Mt. Juliet | 8,404 | 713 | 1,306 | 3,281 |
| 37087 | Lebanon (N) | 2,386 | 415 | 16,734 | 2,942 |
| 37090 | Lebanon (S) | 858 | 135 | 2,448 | 1,011 |
| Subtotal | PSA | 11,648 | 1,263 | 20,488 | 7,234 |

Source: THA Database, 2013.

| Table Five-B: Project's Primary Service Area Utilization of TriStar Summit Medical Center ED YTD 2015 (Jan-March Annualized) | | | | | |
|--|---------------|--|--|--|--|
| Zip Code of ED Patients | Zip Code Name | Percent of Total Summit ED Visits, YTD 2015 | | | |
| Summit Zip Code 37076 | Hermitage | 23.2% | | | |
| Project PSA Zip Codes | | | | | |
| 37122 | Mount Juliet | 16.9% | | | |
| 37087 | Lebanon | 5.3% | | | |
| 37090 | Lebanon | 2.0% | | | |
| Project PSA Subtotal | | 24.2% | | | |

Source: Summit hospital management.

A map of the primary service area zip codes for the project is on the following page. Summit's ED visits from these zip codes are most concentrated in their western sectors and also around the city of Lebanon, where for years Summit has operated satellite outpatient diagnostic services.

6. Section B, Project Description, Item II.C.

a. Please clarify the reason HCA's 1800 visit per ED room standard exceeds the widely used hospital planning standard of 1,500 visit per room per year.

HCA reviews projects like this one using several different benchmarks and taking various factors into consideration. An example of a factor that can affect the analysis of and sizing of emergency room projects would be the presence of a clinical decision unit / observation unit. An ER with either of these types of units available can function at a higher visit/room level because of the ability to move patients to another setting. The guideline of 1,800 visits per room that is a benchmark for HCA Design and Construction is intended to ensure that capital projects are planned efficiently and does not supersede the industry standards when planning for expansion.

b. Please provide documentation of the 1,500/room standard?

This standard is often attributed to the Emergency Department Benchmarking Alliance, an organization of emergency services managers and others representing 800+ hospitals. It is a membership organization whose extensive database is accessible only to members. The applicant has no access to additional information about the EDBA and its derivation or use of the 1,500-visit benchmark. The applicant has not identified an American College of Emergency Physicians (ACEP) publication or action relative to this standard.

c. Is the 1,500/room a standard or a guideline?

The applicant does not know how your question is distinguishing between these two terms. Your questions all seem to label this as a "standard". The applicant uses the two terms interchangeably, to mean a general guideline for analyzing future capacity needs in a growth situation. HCA does not rely exclusively on one metric in planning healthcare facilities; but these guidelines in ED utilization are useful triggers for facility planning.

d. How were these standards developed (Industry 1500 and HCA 1800)? Did they consider factors such as average minutes per room, average minutes per level of care and room occupancy differences between 7-3, 3-11, and 11-7 shifts? If yes, how so?

That information is unknown to the applicant.

e. Please clarify the reason HCA's 1800 visit per ED room standard exceeds the widely used hospital planning standard of 1,500 visit per room per year.

Please see response in 6(a).

f. Did the applicant use the 1,500 visit or 1,800 visit per ED room standard to determine need in this proposed project?

As the application shows, the applicant used a needs analysis projecting utilization against both of these guidelines, to illustrate that both point to a need to expand ED capacity in Summit's service area.

g. If the applicant used the 1,500 visit standard to determine need, please explain why?

Not applicable. This was not the sole guideline used.

h. Please indicate if the applicant used the 1,500 or 1,800 ED standard in determining ED capacity and need in the following applications: CN1412-050 TriStar Southern Hills Medical Center Emergency Department at I-65, CN1202-2008 Horizon Medical Center Emergency Department.

CN1412-050, Southern Hills Satellite ED: The application on record shows that both of those guidelines were presented to illustrate the need for adding capacity.

CN1202-2008 Horizon Medical Center Satellite ED: This project used a guideline of 1,500 visits per treatment room in its discussion of the need for more ED capacity.

- 7. Section B, Project Description Item III.A. (Plot Plan) and Item IV (Floor Plan)
 - a. The floor plan and plot plan appear to not match. The location of the ambulance canopy is in different locations in the floor and plot plan. Please clarify.

The submitted site plan was prepared before the floor plan was completed. A newer site plan is attached following this page. The difference is that the newer plan shows the proper alignment of the facility upon the site.

b. Please clarify if there will be a trauma room in the proposed satellite ER. Please discuss the reason for the decision.

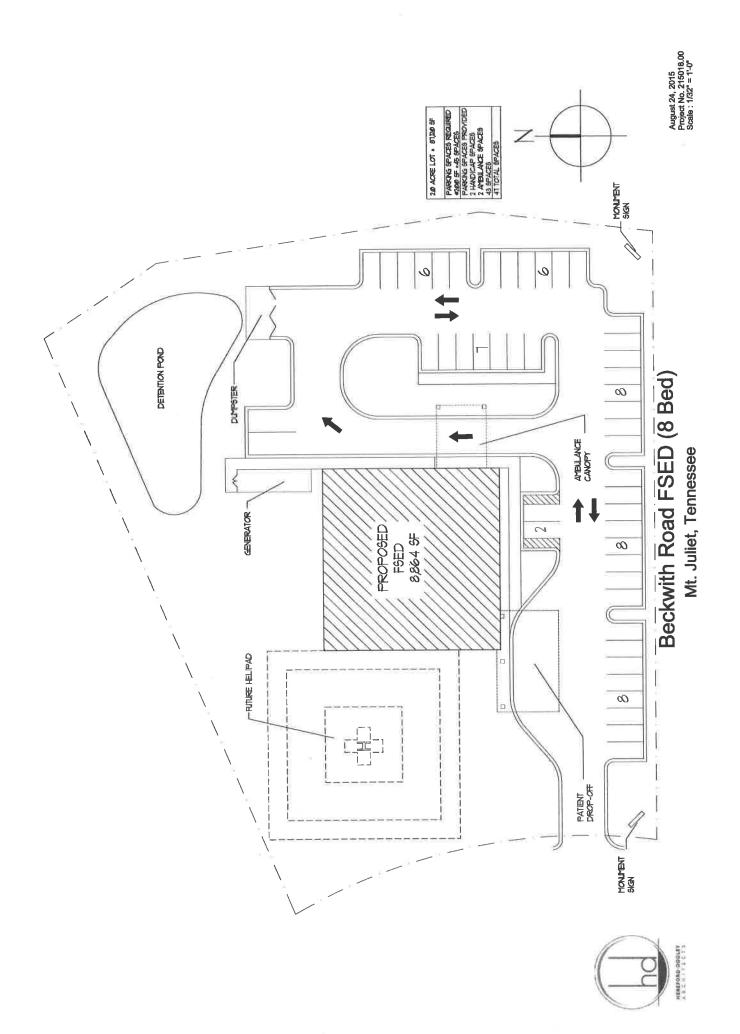
Please see the response to question 4b above, which is the same question.

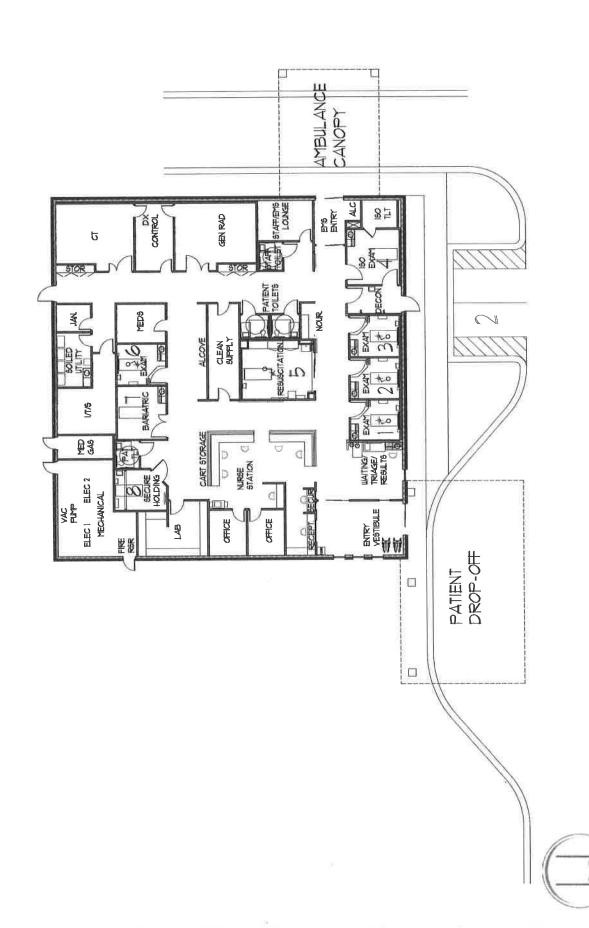
c. The future helipad is noted. Please indicate when the applicant plans to develop the helipad.

There are no current plans for a helipad. It is shown on the drawing, and explained in the application, to demonstrate where it would be placed if and when it is implemented. TriStar Summit Medical Center defers to Wilson County EMS authorities in the decision about whether one is needed at this location. Helipad use is very infrequent even at a full service hospital.

d. What is the capability of expansion for the proposed satellite?

The applicant's choice of site and physical layout of the building allow for expansion of the current footprint if necessary. It can be expanded externally on the side of the facility where the CT room is shown.





Beckwith Road FSED (8 Bed) Mt. Juliet, Tennessee

8. Section C, Need, Item 1 (Project Specific Criteria) Construction, Renovation, Item 3.a and 3.b.

3.a.

Please discuss how sections B.II.C. (Project Need) and C.I.6 (Project Utilization) demonstrate that current utilization and conservatively projected demand for ED capacity at the applicant's facility justify the addition of a minimum of 8 treatment rooms in the Summit emergency services primary service area.

3.b.

Please discuss how the table and narrative in Section B.II.D demonstrates that ED expansion is needed.

(In this application, the project need analysis was provided in B.II.D, augmented with data in C.I.6. With the reviewer's permission, both supplemental questions labeled "3a" and "3b" are addressed together below.)

The application currently discusses the justification of the project. The projected future service area demand for ED care by Summit Medical Center will soon exceed the capacity of the main campus ED to provide care without unduly long wait times. Demand at Summit is extremely high from patients who live in western Wilson County, including but not limited to the Mount Juliet area. The project addresses both needs simultaneously in CY2017, by providing in Wilson County a limited amount of additional Summit ED capacity, with the same scope of clinical care as at the main campus. The projected visit volumes of patients at both facilities will highly utilize the capacity being proposed at both locations combined.

9. Section C, Need, Item 4A.

a. The applicant states in the narrative on page 36 the statewide TennCare enrollment is 18%, but in Table Nine-A on page 37 it is listed as 21%. Please clarify.

Thank you for noting this. Attached following this page is revised replacement page 36R, correcting the TennCare enrollments and other data to be consistent with Table Nine-A, which was correct.

C(I).4.A DESCRIBE THE DEMOGRAPHICS OF THE POPULATION TO BE SERVED BY THIS PROPOSAL.

Primary Service Area-Wilson County

Please see Table Nine-A on the following page. The primary service area (PSA) county has a slightly older median age (approximately 39.3) than the State median age of 38 years. Between this year and 2019, the Wilson County population is projected by State demographers to increase by 7.5%, twice as fast as the 3.7% increase forecasted for the State.

Wilson County's elderly age 65+ population is 14.5% of the total county population, somewhat less than the 15.2% Statewide percentage. By 2019, the PSA and State percentages of elderly will be similar, at 16.3% and 16.5%, respectively.

In terms of income, Wilson County's median household income of \$60,390 is far above the State average of \$44,298. TennCare enrollment in Wilson County is 14.6% of the population versus 21.0% Statewide. The persons living in poverty in this county are 10.2% of the population, compared to 17.6% Statewide.

Primary Service Area--By Zip Codes

Please see Table Nine-B on the following page for population projections for the three zip codes comprising the primary service area of this project.

b. Please indicate if there are any medical underserved areas in the applicant's service area.

Wilson County is still designated as a Medically Underserved Area, as shown on the page attached at the back of this application. But please note that it received this designation in 1978, some 37 years ago, and it has not been updated. That is a difficulty with many MUA designations.

c. Please provide an analysis of all the Wilson County zip codes using the following table:

| Variable | Zip Code 37090 | Zip Code 37122 | Zip Code 37087 | Zip Code 37184 |
|-----------------------------|--------------------------|--------------------------|-----------------------|-------------------|
| % Applicant's | | // | | |
| Patient Origin-Yr. 1 | 6.4% | 55.9% | 17.7% | ?? |
| Population, 2015 | 17,164 | 59,007 | 49,134 | 6,028 |
| Population, 2000 | 12,000 | 33,557 | 31,403 | 4,804 |
| Pop. Growth, 2000-2015 | 5,164 (43%) | 25,450 (76%) | 17,731 (57%) | 1, 224 (26%) |
| Square Miles | 162.9 | 112.0 | 166.1 | 117.0 |
| 2015 Pop. Density /Sq. Mile | 105.4 | 526.8 | 295.8 | 51.5 |
| Median Household Income | \$61,265 | \$77,953 | \$54,718 | \$50,665 |
| Median Home Price | \$168,1568 | \$203,038 | \$158,602 | \$119,167 |
| % Population in Poverty | 10.0% | 7.4% | 13.7% | 17.5% |

10. Section C, Need, Item 5.

a. It is noted TriStar operates an urgent care center (CareSpot) at 1705 W. Main Street, #211, Lebanon, TN. Please clarify the reason the applicant chose not to locate an urgent care center at Interstate 40, Exit 229 rather than a satellite ER.

The project's objective is to improve drive time accessibility to acute care emergency care for Summit patients in Summit's primary service areas of Wilson County. It is not to provide an urgent care center, which is a type of facility offering a lower scope of services and less specialized medical personnel, in a less equipped facility that does not provide 24/7 care.

b. The chart of the 9 EMS locations in Wilson County on page 44 is noted. It appears 8 of the 9 EMS locations are located in the applicant's three proposed Wilson County zip codes. Does the applicant have any letters of support from the EMS stations?

Not at this time.

11. Section C, Need, Item 6.

a. It is noted the applicant expects ED visits to increase by 5000 from 2014 to 2016. Please clarify how the applicant expects to increase ED visits by 10,000 from 2016 to 2018?

The compound annual growth rate for this time frame is 7.99%. This expected growth rate takes into account the expected growth rate of the population of our PSA, the addition of an additional access point of care (satellite ER) and the addition of a large industrial park in close vicinity to the proposed Satellite ER facility.

b. Please clarify how the applicant expects to increase from 55,154 ED visits in 2014 to 70,756 ED visits in 2018, a 28.2% increase. From 2012 to 2014? Summit Medical Center's Ed visits increased from 52,870 to 55,154, a 4.3% increase.

The compound annual growth rate for 2014 to 2018 is 6.43%. Your comparison is looking at 2 years, whereas your question is looking at 4 years. The CAGR for Summit's Main ER from 2013-2015 is 6.90%. Further explanation of the growth rate is given in 11(a).

c. Please complete the following tables for Summit Medical Center and University Medical Center for patient origin by zip code for CY 2014 for zip codes with patient origin over 0.15%.

The information requested for Summit Medical Center is provided on the following page; but the applicant has no access to this information for the UMC ED because UMC does not report data to the THA Database

Summit Medical Center ED Admissions by Patient Zip FY 2014

Source: EDW

*volume based on admissions in the ED

| Patient Zip Code | Patient City | Patient County | Total ED Patients | Cumulative Patients | % ED Patients by Zip Code | Cumulative % |
|---------------------|----------------|-----------------|-------------------|------------------------|------------------------------|--------------|
| 37076 | HERMITAGE | DAVIDSON - TN | 12,768 | 12,768 | 23.15% | 23.15% |
| 37122 | MOUNT JULIET | WILSON - TN | 9,122 | 21,890 | 16.54% | 39.69% |
| 37214 | NASHVILLE | DAVIDSON - TN | 6,282 | 28,172 | 11.39% | 51.08% |
| 37138 | OLD HICKORY | DAVIDSON - TN | 5,988 | 34,160 | 10.86% | 61.94% |
| 37087 | LEBANON | WILSON - TN | 2,841 | 37,001 | 5.15% | 67.09% |
| 37013 | ANTIOCH | DAVIDSON - TN | 2,586 | 39,587 | 4.69% | 71.78% |
| 37217 | NASHVILLE | DAVIDSON - TN | 2,477 | 42,064 | 4.49% | 76.27% |
| 37115 | MADISON | DAVIDSON - TN | 1,778 | 43,842 | 3.22% | 79.49% |
| 37090 | LEBANON | WILSON - TN | 988 | 44,830 | 1.79% | 81.28% |
| 37210 | NASHVILLE | DAVIDSON - TN | 848 | 45,678 | 1.54% | 82.82% |
| 37211 | NASHVILLE | DAVIDSON - TN | 775 | 46,453 | 1.41% | 84.22% |
| 37207 | NASHVILLE | DAVIDSON - TN | 590 | 47,043 | 1.07% | 85.29% |
| 37206 | NASHVILLE | DAVIDSON - TN | 341 | 47,384 | 0.62% | 85.91% |
| 37072 | GOODLETTSVILLE | DAVIDSON - TN | 335 | 47,719 | 0.61% | 86.52% |
| 37184 | WATERTOWN | WILSON - TN | 322 | 48,041 | 0.58% | 87.10% |
| 37086 | LA VERGNE | RUTHERFORD - TN | 304 | 48,345 | 0.55% | 87.65% |
| 37075 | HENDERSONVILLE | SUMNER - TN | 258 | 48,603 0.47 | 0.47% | 88.12% |
| 37167 | SMYRNA | RUTHERFORD - TN | 229 | 48,832 | 0.42% | 88.54% |
| 37066 | GALLATIN | SUMNER - TN | 218 | 49,050 | 0.40% | 88.93% |
| 37216 | NASHVILLE | DAVIDSON - TN | 206 | 49,256 | 0.37% | 89.31% |
| 37209 | NASHVILLE | DAVIDSON - TN | 184 | 49,440 | 0.33% | 89.64% |
| 37218 | NASHVILLE | DAVIDSON - TN | 157 | 49,597 | 0.28% | 89.92% |
| 37208 | NASHVILLE | DAVIDSON - TN | 155 | 49,752 | 0.28% | 90.21% |
| 37130 | MURFREESBORO | RUTHERFORD - TN | 129 | 49,881 | 0.23% | 90.44% |
| 37129 | MURFREESBORO | RUTHERFORD - TN | 124 | 50,005 | 0.22% | 90.66% |
| 37203 | NASHVILLE | DAVIDSON - TN | 107 | 50,112 | 0.19% | 90.86% |
| 37015 | ASHLAND CITY | CHEATHAM - TN | 98 | 50,210 | 0.18% | 91.04% |
| 37030 | CARTHAGE | SMITH - TN | 91 | 50,301 | 0.16% | 91.20% |
| 37172 | SPRINGFIELD | ROBERTSON - TN | 84 | 50,385 | 0.15% | 91.35% |
| Other | Other | Other | 4,769 | 55,154 | 8.65% | 100.00% |
| Total: | | | 55,154 | 55,154 | 100.00% | 100.00% |

12. Section C, Economic Feasibility, Item 9

Please clarify if the applicant conducted a feasibility study of expanding the main ED and what that cost would be.

The applicant has not prepared a feasibility study of expanding the main ED because such an expansion would only solve one of the goals that we are pursuing and would not improve accessibility.

13. Section C. Economic Feasibility Item 1 (Project Cost Chart) and Item 3

a. Please clarify Interim Financing in the amount of \$235,000 in the Project Costs Chart.

This is the amount that the HCA corporate financing office assigns to each funded project to represent the cost of capital during the construction period. It equates to use of commercial lender's capital when an interim construction loan is involved in a building project.

b. Please clarify A.5 that lists 8,864 SF @ \$475 PSF. It appears the \$4,210,400 construction cost includes \$709,120 of construction cost for canopies, but not the 2,384 SF assigned to the canopies. Please clarify.

The omission of 2,384 SF from the space total has been corrected where applicable to cost calculations; please see the response to your question number 4d (2) above. However, 8,864 SF remains as the footprint of the building; canopies should not be included in discussing building content and size.

c. The architect's letter mentions significant site work. The preparation of site cost is \$1,500,000 for the proposed project. Please discuss why the cost is 35% of construction cost and why the architect describes the site work as being "significant".

Significant expenses will be incurred in constructing an asphalted entrance road to the project site, and in running utilities to the property from Beckwith Road. Additional, the site will require regrading before construction can begin.

14. Section C, Economic Feasibility, Item 2

The letter documenting funding for the proposed project is noted. If the applicant plans to fund the project with cash reserves, please state in the letter the project will be funded through cash reserves.

Your reconsideration of this request is respectfully requested. This is the standard HCA financing letter that has been accepted by the HSDA for years. It provides funding documentation but allows flexibility for the company to fund the project from a variety of internal sources other than cash reserves, such as corporate revolving credit lines. The applicant's project will be funded by a cash transfer; but TriStar and HCA are not comfortable representing to the HSDA that any particular source of cash will be utilized. Nor has that been requested before now.

The company's financial statements document the availability of sufficient cash and credit resources to fund the project; and the letter documents the intention of the company to do so.

15. Section C, Economic Feasibility, Item 3

a. Table Three B on page 54 is noted. The table lists construction cost on 8,864 SF on \$4,210,400, while the Square footage and cost per square footage chart in the attachment list \$3,501,280 on 8,864 SF. Please clarify.

Again, please see the response to your question 4d(2) above and the replacement pages provided at that location.

b. The applicant notes \$475 PSF total construction cost is higher than the 2012-2014 3rd quartile construction costs PSF of \$298.66 sq./ft. because of increased construction costs over a three year period. Please indicate the reasons the applicant expects a 59% increase in construction costs in the next three years.

In response to your question 4d(2) above, the applicant has amended the project square footage and cost per square foot to \$374.32 PSF. While this is closer to the third quartile of the HSDA average construction cost table, it is not within that quartile.

However, the HSDA table averages all types of hospital projects, none of which were a freestanding ED project, to the applicant's best knowledge. By comparison the applicant's cost expectations are reality-based; they are based on actual costs being incurred this year with ongoing projects in other markets, whose construction contracts have been awarded through a highly competitive bidding process.

c. What is the estimated overall cost and cost/PSF to expand the existing Summit ED?

This information is not available to the applicant without a feasibility study which cannot be conducted at this time.

- 16. Section C, Economic Feasibility, Item 4 (Historical Data Chart and Projected Data Chart)
 - a. The historical data chart for Summit Medical Center is noted. Please verify the Year 2013 gross operating revenue and total operating expenses totals. If needed, please revise and resubmit.

Those sections have been corrected on revised page 56R, the Summit Medical Center Historical Data Chart, attached following this page.

HISTORIC DATA CHART-SUMMIT MEDICAL CENTER EMERGENCY DEPARTMENT

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in January.

| 1116 | 11500 | n year begins in sundary. | | Year 2012 | | Year 2013 | | Year 2014 |
|------|-------|--------------------------------------|------|-------------|------|-------------|-----|-------------|
| | | Patients Presenting | | 52,870 | | 52,530 | _ | 55,154 |
| A. | Utili | zation Data Admissions | | | | | | |
| В. | Rev | enue from Services to Patients | | | | | | |
| | 1. | Inpatient Services | | | | | - | |
| | 2. | Outpatient Services | | | | | | |
| | 3. | Emergency Services | | 159,976,310 | | 190,255,118 | | 238,697,938 |
| | 4. | Other Operating Revenue | | | - | | (| |
| | | (Specify) See notes | | | | | | |
| | | Gross Operating Revenue | _\$_ | 159,976,310 | \$ | 190,255,118 | \$ | 238,697,938 |
| C. | Dec | luctions for Operating Revenue | | | | | | |
| | 1. | Contractual Adjustments | \$ | 113,521,167 | _\$_ | 137,637,176 | \$_ | 177,405,950 |
| | 2. | Provision for Charity Care | \$ | 1,276,817 | \$ | 1,548,060 | \$_ | 1,995,355 |
| | 3. | Provisions for Bad Debt | _\$_ | 15,039,835 | \$ | 18,234,840 | \$_ | 23,503,600 |
| | | Total Deductions | _\$_ | 129,837,819 | \$ | 157,420,076 | \$ | 202,904,905 |
| NET | OPE | RATING REVENUE | \$ | 30,138,491 | _\$_ | 32,835,042 | \$ | 35,793,033 |
| D. | Оре | erating Expenses | | | | | | |
| | 1. | Salaries and Wages | \$ | 7,932,946 | \$ | 8,397,059 | \$_ | 9,067,911 |
| | 2. | Physicians Salaries and Wages | _\$_ | - | \$ | | \$ | |
| | 3. | Supplies | \$ | 2,163,804 | \$ | 2,478,529 | _\$ | 2,804,008 |
| | 4. | Taxes | \$ | 240,154 | \$ | 242,255 | \$ | 250,531 |
| | 5. | Depreciation | | | | | | |
| | 6. | Rent | \$ | 122,522 | \$ | 133,220 | _\$ | 141,573 |
| | 7. | Interest, other than Capital | | | | | | |
| | 8. | Management Fees | | | | | | |
| | | a. Fees to Affiliates | \$ | 1,739,913 | \$ | 2,156,981 | \$ | 2,338,795 |
| | | b. Fees to Non-Affiliates | | | | | | |
| | 9. | Other Expenses (Specify) See notes | \$ | 16,190,657 | \$ | 17,599,072 | \$ | 19,259,950 |
| | | Total Operating Expenses | \$ | 28,389,996 | \$_ | 31,007,116 | \$ | 33,862,769 |
| E. | Otl | ner Revenue (Expenses) Net (Specify) | | | 14 | | | |
| NE | Т ОР | ERATING INCOME (LOSS) | \$ | 1,748,495 | _\$ | 1,827,926 | _\$ | 1,930,264 |
| F. | Ca | pital Expenditures | | | | | | |
| | 1. | Retirement of Principal | | | | | | |
| | 2. | Interest | | | | | | |
| | | Total Capital Expenditures | \$ | 349 | \$ | | \$ | |
| NE | T OP | ERATING INCOME (LOSS) | | | | | | |
| | | APITAL EXPENDITURES | \$ | 1,748,495 | \$ | 1,827,926 | \$ | 1,930,264 |

b. The Summit Medical Center Satellite ED Projected Data Chart is noted. It appears the total deductions for Year 2018 totals \$42,463,830 rather than \$40,217,650. Please revise if needed.

Those sections have been corrected on revised page 60R, the satellite ED Projected Data Chart, attached following this page.

c. The Summit Medical Center's consolidated ED (Main Campus and Satellite ED's) Projected Data Chart is noted. Please verify totals for Net Operating Revenue and Total Operating Expenses in 2018. Please revise if needed.

Those sections have been corrected on revised page 64R, the consolidated ED Projected Data Chart, attached following this page.

17. Section C, Economic Feasibility, Item 5

Table Thirteen B is noted on page 66. Please verify Average Net Operating Revenue in the amount of \$685.00.

Revised page 66R is attached with the revised charts for question 16 above. It has been updated to reflect changes in both amended Projected Data Charts.

- 18. Section C, Orderly Development, Item 1.
 - a. Since the proposed satellite emergency room is planned to be located in Wilson County, does the applicant have a transfer agreement with University Medical Center?

No. That is premature until the proposed FSED is actually constructed. At that time, it will be requested.

PROJECTED DATA CHART — SUMMIT MEDICAL CENTER SATELITTE ED

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in January.

| me | IISCa | n year begins in January. | | | Year 2017 | ١ | rear 2018 |
|----|----------|----------------------------|-----------------------------------|----------|------------|---|------------|
| | | | Patients Treated | | 10,132 | | 10,639 |
| В. | Pav. | enue from Services to Pati | | | | | |
| ь. | 1. | Inpatient Services | | | | | |
| | 2. | Outpatient Services | | | | - | |
| | 3. | Emergency Services | | \$ | 46,963,051 | \$ | 49,681,409 |
| | 3. 4. | Other Operating Revenue | | | , | | |
| | 4. | | | (| | | _ |
| | | (Specify) See notes | Gross Operating Revenue | \$ | 46,963,051 | \$ | 49,681,409 |
| _ | | Lasting Boy | | | 10,505,051 | | 10,001,100 |
| C. | | Sections for Operating Rev | | \$ | 35,163,519 | \$ | 37,127,422 |
| | 1. | Contractual Adjustments | | \$ | 395,498 | \$ | 417,587 |
| | 2. | Provision for Charity Care | ; | \$ | 4,658,633 | \$ | 4,918,821 |
| | 3. | Provisions for Bad Debt | Total Deductions | \$ | 40,217,650 | \$ | 42,463,830 |
| | | | lotal Deductions | \$ | 6,745,401 | \$ | 7,217,579 |
| NE | | ERATING REVENUE | | <u> </u> | 6,743,401 | Ψ | 7,217,575 |
| D. | • | erating Expenses | | æ | 2 609 000 | \$ | 2,778,940 |
| | 1. | Salaries and Wages | | | 2,698,000 | _ _ _ | 2,770,940 |
| | 2. | Physicians Salaries and V | Vages | - | F1F 107 | | E40 992 |
| | 3. | Supplies | | \$ | 515,107 | \$ | 540,883 |
| | 4. | Taxes | | \$ | 46,024 | \$ | 48,327 |
| | 5. | Depreciation | | _ | | \$ | 97.000 |
| | 6. | Rent | | _\$_ | 26,007 | | 27,309 |
| | 7. | Interest, other than Capi | ital |) | | | |
| | 8. | Management Fees | | <u> </u> | 389,416 | <u> \$ </u> | 474,133 |
| | | a. Fees to Affiliates | | _ | | | |
| | | b. Fees to Non-Affiliate: | s | _ | | | |
| | 9. | Other Expenses (Specify | See notes | \$_ | 3,035,598 | | 3,233,187 |
| | | | Total Operating Expenses | \$ | 6,710,152 | \$ | 7,102,778 |
| E. | Ot | her Revenue (Expenses) | Net (Specify) | | | | |
| NE | T OP | ERATING INCOME (LOSS) | | \$ | 35,249 | \$ | 114,801 |
| F. | Ca | pital Expenditures | | | | | |
| | 1. | Retirement of Principal | | | | _ | |
| | 2. | Interest | | _ | | | |
| | | | Total Capital Expenditures | _\$ | | \$_ | |
| NE | T OP | PERATING INCOME (LOSS) | | | | | |
| LE | SS C | APITAL EXPENDITURES | | \$ | 35,249 | \$_ | 114,801 |
| | | | | | | | |

PROJECTED DATA CHART — SUMMIT MEDICAL CENTER CONSOLIDATED ED (MAIN CAMPUS AND SATELLITE ED'S)

Give information for the two (2) years following the completion of this proposal.

The fiscal year begins in January.

| | | | | Year 2017 | | Year 2018 |
|-----|-------|--------------------------------------|------|-------------|---|--------------|
| A. | Utili | zation Data Admissions | | 68,577 | | 70,756 |
| B. | Rev | enue from Services to Patients | | | | |
| | 1. | Inpatient Services | \$ | - | \$_ | - |
| | 2. | Outpatient Services | \$ | :#: | \$ | - |
| | 3. | Emergency Services | \$ | 318,646,003 | \$ | 330,412,180 |
| | 4. | Other Operating Revenue | _\$ | | \$_ | |
| | | (Specify) See notes | | | | |
| | | Gross Operating Revenue | \$_ | 318,646,003 | | 330,412,180 |
| C. | Ded | uctions for Operating Revenue | | | | |
| | 1. | Contractual Adjustments | \$_ | 239,542,028 | \$ | 248,467,934 |
| | 2. | Provision for Charity Care | _\$ | 2,694,224 | _\$ | 2,794,617 |
| | 3. | Provisions for Bad Debt | \$ | 31,735,689 | \$ | 32,918,236 |
| | | Total Deductions | _\$_ | 273,971,942 | \$_ | 284,180,787 |
| NET | OPE | RATING REVENUE | \$ | 44,674,061 | \$ | 46,231,393 |
| D. | Оре | erating Expenses | | | | |
| | 1. | Salaries and Wages | \$ | 12,306,957 | <u> \$ </u> | 12,662,813 |
| | 2. | Physicians Salaries and Wages | \$_ | * | | |
| | 3. | Supplies | \$_ | 3,486,419 | \$ | 3,597,205 |
| | 4. | Taxes | \$_ | 311,503 | \$ | 321,402 |
| | 5. | Depreciation | \$_ | | \$ | - |
| | 6. | Rent | \$_ | 176,028 | _\$ | 181,621 |
| | 7. | Interest, other than Capital | \$_ | | \$_ | #Y |
| | 8. | Management Fees | | | - | |
| | | a. Fees to Affiliates | | 2,478,342 | \$_ | 2,549,248 |
| | | b. Fees to Non-Affiliates | \$_ | - | \$_ | <u> </u> |
| | 9. | Other Expenses (Specify) See notes | | 23,157,183 | \$_ | 23,813,313 |
| | | Total Operating Expenses | \$_ | 42,305,848 | \$ | 43,125,601 |
| E. | Otl | ner Revenue (Expenses) Net (Specify) | | | | |
| NE | T OP | ERATING INCOME (LOSS) | \$ | 2,368,213 | \$ | 3,105,792 |
| F. | Ca | pital Expenditures | | | | |
| | 1. | Retirement of Principal | \$ | <u> </u> | \$ | = |
| | 2. | Interest | * | | \$ | |
| | | Total Capital Expenditures | \$ | <u>=</u> | | :#: |
| NE | T OP | ERATING INCOME (LOSS) | | | | |
| LE | SS C | APITAL EXPENDITURES | \$ | 2,368,213 | \$ | 3,105,792 |

C(II).5. PLEASE IDENTIFY THE PROJECT'S AVERAGE GROSS CHARGE, AVERAGE DEDUCTION FROM OPERATING REVENUE, AND AVERAGE NET CHARGE.

| Table Thirteen-A: TriStar Summit Emergency Department Average Charge Data for Satellite Facility | | | | |
|--|---------|---------|--|--|
| 8 | CY2017 | CY2018 | | |
| Visits | 10,132 | 10,639 | | |
| Average Gross Charge | \$4,635 | \$4,670 | | |
| Average Deduction from Operating Revenue | \$3,969 | \$3,991 | | |
| Average Net Operating Revenue | \$666 | \$678 | | |
| Average Net Operating Income | \$3 | \$11 | | |

| Table Thirteen-B: TriStar Summit Emergency Department Average Charge Data for Consolidated Facility | | | | | |
|---|------------|---------|--|--|--|
| | CY2017 CY2 | | | | |
| Visits | 68,577 | 70,756 | | | |
| Average Gross Charge | \$4,647 | \$4,670 | | | |
| Average Deduction from Operating Revenue | \$3,995 | \$4,016 | | | |
| Average Net Operating Revenue | \$651 | \$653 | | | |
| Average Net Operating Income | \$35 | \$44 | | | |

C(II).6.A. PLEASE PROVIDE THE CURRENT AND PROPOSED CHARGE SCHEDULES FOR THE PROPOSAL. DISCUSS ANY ADJUSTMENT TO CURRENT CHARGES THAT WILL RESULT FROM THE IMPLEMENTATION OF THE PROPOSAL. ADDITIONALLY, DESCRIBE THE ANTICIPATED REVENUE FROM THE PROPOSED PROJECT AND THE IMPACT ON EXISTING PATIENT CHARGES.

Table Fifteen in the response to question C(II) 6.B below provides the hospital's current average gross charges by level of care (5 = highest acuity and most resource-intensive patients). It provides current Medicare reimbursement by level of care. It projects the Years One and Two charges by level of care, for the proposed Mount Juliet satellite ED. The consolidated projection for the main campus and satellite EDs is that together they will maintain a positive operating margin and will have no adverse impact on the hospital's other charges.

b. Please define the Emergency Medical Treatment and Labor Act (EMTALA).

In 1986, Congress enacted the Emergency Medical Treatment and Labor Act (EMTALA) to ensure public access to emergency care regardless of a patient's financial resources. Section 1867 of the Social Security Act imposes specific obligations on Medicare-participating hospitals that offer emergency services to provide a medical screening examination (MSE) when a request is made for examination or treatment for an emergency medical condition (EMC), including active labor, regardless of an individual's ability to pay. Hospitals are then required to provide stabilizing treatment for patients with EMC's. If a hospital is unable to stabilize a patient within its capability, or if the patient requests, an appropriate transfer should be implemented.

c. Please indicate where emergency OB patients will be referred for treatment from the proposed satellite ER. Also, please clarify if the OB patients would be admitted directly to the receiving facility, or would need to admit through the receiving hospital's ER.

They will be transferred to the facility of their choice. If that facility is TriStar Summit Medical Center, they will be admitted directly to the obstetrical floor and not through the Emergency Department.

19. Section C, Orderly Development, Item 3.

a. Table Eighteen on page 74 is noted. If available, please provide salary data for the Registered Nurse position from other available documented resources.

In CY 2015, TriStar Summit's own salary range for the RN position is \$45,760 to \$67,579. This is a current figure and one that will apply within the project service area because of its proximity to Summit.

b. Table Nineteen is noted. Please clarify if one "FTE" is based on a 40-hour week.

Yes, one Full Time Equivalent (FTE) is based on a 40-hour workweek.

c. How many additional ED physicians will need to be recruited for the proposed project?

The project will require the recruitment of two additional ED Physicians.

20. Section C, Orderly Development, Item 7.d

Please provide a copy of the latest Joint Commission Accreditation survey including any approved plan of action.

This is attached after the end of this letter.

21. Proof of Publication

Please submit a copy of the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit which is supplied by the newspaper as proof of the publication of the letter of intent.

This is attached following this page.

22. Affidavit

A signed and notarized affidavit must be submitted with each filing of an application and supplemental information. An affidavit was not included with this application. Please submit a completed affidavit for the original application and one for the supplemental information. Please note there is an affidavit form for the original filing and a separate form for supplemental responses.

Both affidavits are attached following this page.

Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please email or telephone me so that we can respond in time to be deemed complete.

Respectfully,

John Wellborn
Consultant

A MONDAY AUGUST 10 2015

0000641094

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with Services and Development Agency, that Thistar Summit Medical Services and Development Agency, that Thistar Summit Medical Services and Development Agency, that Thistar Summit Medical Center, a hospital, to be owned and managed by HCA Health plication for a Certificate of Need to establish a safellite emery services of Tennessee, Inc. (a corporation), intends to file an application for a Certificate of Need to establish a safellite emery gency department facility at an unaddressed site in Wilson Courbects west of Beckwith Road on an access farly and I-40 and yords west of Beckwith Road on an access drive at Smyrnal cost is estimated at \$11,107,000.

rooms. If will provide emergency diagnostic and treatment services, for which all necessary diagnostic services will be available, including laboratory, X-ray, ultrasound, and CT scanning the min nation rhedical equipment, or linitate or disconbed complements. The facility will be operated under Tristan summit Medical Center's 196-bed acute care hospital licenses granted by the Board for Licensing Health Care Eacilities. The proposed satellite facility will contain elgit treatment

The anticipated date of filing the application is on ar before August 14, 2015. The contact person for the project is Jahn Well-born, who may be reached at Development Support Group, Hillsbaro Road, Suite 210, Nashville, TN 37215; (d.5) 665-2022.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Andrew Jockson Building, the Floor
Andrew Jockson Building, the Floor
Andrew Jockson Building, the Floor
Soz Deaderick Street
Noshville, TN 243
Inform wishing to oppose a Certificate of Need application must
fille a written objection with the Health Services and Developscheduled, and Health Services and Development Agency meeting of
which the application is originally scheduled, and (B) any other
tion with the Health Services and Development Agency meeting of
person wishing to appose the application must tile written objecprior to the consideration of the application by the Agency at or

This is to brovide official notice to the He period and Asia Sell-1601 of seq., and the Rules ("SRAC"). An existing acute care hospital pilonal Medical Center. LLC with an owner plication for a Certificate of Need for a plication for a Certificate of Need for a future care on the plication for a Certificate of Need for a future care on an emergency care of SRAC's existing outpeffent for the Asia Station. 225 Big Station Camp Boulevard, by TN 3706, The project will be a safellit five control of SRAC. It involves the rend feet of stisting space. The total project be \$5,603,276.

Summer Regional Medical Center is license censing Healthcare Facilities as a 155-bet. The proposed satellite emergency departs some full emergency diagnostic and treatment has piral, utilizing the imaging cent. Summer Station for diagnostic services in the project does not contain major medic fifthe or discontinue any other health service by's licensed bed complements.

The anticipated date of filing the application.
The contact person for this project is Mich erating Officer, who may be reached Medical Center, 225 Big Station Camp Tennessee, 37066, 615-328-6895.

porfies, Written Upon written request by interested public hearing shall be conducted. Should be sent to:

Health Services and Developme Andrew Jackson Building, 91 302 Deader Ick Street Nashville, TN 37243

The published Letter of Intent must contain ment pursuant to T.C.A. § 68-11-1607(c)(1).
Institution wishing to oppose a Certificate must file a written notice with the Health Squeecy no Idea than filten (15) days scheduled Health Services and Development person wishing to oppose the amplication in use from with the Health Services and Development from with the Health Services and Development from with the Health Services and Development person wishing to oppose the amplication must prior to the consideration of the application by

ANY, ANY PRIOR LIENS OR ENCUMBRANCES LEASES, EASEMENTS AND ALL OTH. ER MATTERS WHICH TAKE PRIORITY OVER THE DEED THUS FORECLOSURE SALE IS CONDUCTED, INCLUDING BUT NOT LIMITED TO THE PRIORITY OF ANY EXTURE FILING. IF THE U.S. DEPARTMENT OF THE TREASURY SEPVICE THE REASURY SEPVICE THE ASSURY SEPVICE

FYOU PURCHASE A PROPERTY AT THE FORECLOSURE SALE, THE ENTIRE
PURCHASE PRICE IS DUE
AND PAYABLE AT THE CONCLUSION OF THE AUCTION
IN THE FORM OF A
CERTIFIEDBRANK CHECK
MADE PAYABLE TO OR ENLORSED TO LAW OFFICE OF
LORSED TO LAW OFFICE OF
SONAL CHECKS WILL BE ACCEPTED. TO THIS END.

PHILLIP JONES. NO PERPHILLIP JONES. NO PERPHILLIP JONES. NO PERJONES. NO PE

U. S. Department of Health & Human Services HRSA Data Warehouse F | HRSA gov F SEARCH U. S. Department of Health and Human Services Enter Keywords Health Resources and Services Administration HRSA Data Warehouse
HRSA.gov

Powered by the HRSA Data Warehouse

Payment

Find Shortage Areas: MUA/P by State and County

| Shortage Designation Home | Criteria: State: Tennessee County: Wilson County ID#: All | | | | | | | |
|--|--|------|------------|-------|----------|-------------|-------------------------------|---------------------------|
| Find Shortage Areas | Results: 1 records four | nd, | | | | | | e mu juke cyclik |
| HPSA & MUA/P by Address HPSA by State & | Wilson County WILSON SERVICE AREA | Name | | 03240 | MUA | Score | Designation Date 1978/11/01 | Update Date 1978/11/01 |
| County HPSA Eligible for the Medicare Physician Bonus | | | NEW SEARCH | | MODIFY S | EARCH CRITE | ERIA | |

Ask Questions | Viewers & Players | Privacy Policy | Disclaimers | Accessibility | Freedom of Information Act | USA.gov | WhiteHouse.gov | Recovery.gov |

AFFIDAVIT

| STATE OF _ | TENNESSEE | |
|------------|-----------|--|
| COUNTY OF | DAVIDSON | |

JOHN WELLBORN, being first duly sworn, says that he is the lawful agent of the applicant named in this application, that this project will be completed in accordance with the application to the best of the agent's knowledge, that the agent has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, et seq., and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete to the best of the agent's knowledge.

Sworn to and subscribed before me this 14 day of Acoust, 2015 a Notary

Public in and for the County/State of DAVIDSON

My commission expires July (Month/Day)



AFFIDAVIT

STATE OF TENNESSEE COUNTY OF DAVIDSON

NAME OF FACILITY:

TRISTAL SUMMIT MEDICAL CENTER ED AT MT. JULIET

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the lawful agent of the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete to the best of my knowledge.

Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 25 day of 1

witness my hand at office in the County of <u>DAVIDSON</u>, State of Tennessee.

My commission expires

HF-0043

Revised 7/02



Supplemental #2 -ORIGINAL-

TriStar Summitt Medical Center Emergency Dept at Mount Juliet

CN1508-031

DSG Development Support Group

August 28, 2015 4:18 pm

August 28,2015

Phillip M. Earhart, HSD Examiner Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

RE: CON Application CN1508-031

TriStar Summit Medical Center Emergency Department at Mount Juliet

Dear Mr. Earhart:

This letter responds to your second request for supplemental information on this application. The items below are numbered to correspond to your questions. They are provided in triplicate, with affidavit.

1. Section A., Applicant Profile, Item 6
Please provide a copy of the deed from B & B Enterprises to document site control.

It is attached following this page. The 4982 Beckwith Road address on the deed is for a large tract of 20+ acres that includes the much smaller parcel on which this project will be developed. Our option is only for an unaddressed portion of the large tract controlled by B&B. So the deed properly documents the optionor's control of our project site.

2. Section C, Need, Item 4A.

The analysis of all the Wilson County Zip Codes is noted. However, please clarify the reason there are questions marks in Zip Code 37184 for the field labeled "% Applicant's Patient Origin-Yrs. 1".

This was a typographical error. It has been deleted from that zip code field on revised replacement page Twenty(R) of the first supplemental response, attached after this page, following the deed. The estimated percentage is 1%, approximately 101 visits.

August 28, 2015 4:18 pm

NEW OWNER: B & B Enterprises of Wilson County, L.L.C.

P.O. Box 1194

Lebang, TN 37088
SEND TAX BILLS TO:
NEW OWNER

Map 78 Parcel 57.00

THIS INSTRUMENT PREPARED BY:

Rochelle, McCulloch & Aulds, P.L.L.C. Attorneys at Law 109 North Castle Heights Ave. Lebanon, TN 37087

FILE NO: 08-0973

| DP FEE 2.00 DP FEE 1.00 | | 20/1732-173 4 77316 |
|--|-------------------|--|
| JACQUE BATCH: 149135 09/05/2008 - 01:27 PM VALUE 551518 30 WORTGAGE TAX 2040 62 TRANSFER TAX 2040 62 RECORDING FEE 15.00 PF FEE 1.00 REGISTER'S FEE 1.07 TAYLA MAUNT 2058 6; | 3 PGS : AL - DEED | |
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| RECORDING FEE 19.00 | | The state of the s |
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| TOTAL AMOUNT | REGISTER'S FEE | |
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WARRANTY DEED

FOR AND IN CONSIDERATION of the sum of Five Hundred Fifty-One Thousand Five Hundred Eighteen 30/100 Dollars (\$551,518.30) cash in hand paid, the receipt of which is hereby acknowledged, KENNETH HAWKINS, a ½ undivided interest ("Grantor") has this day bargained and sold and by these presents do hereby transfer and convey unto B & B Enterprises of Wilson County, L.L.C., a Tennessee limited liability company, ("Grantee"), its successors and assigns, forever, its ½ undivided interest in the following tract or parcel of land, situated and lying in the 24th Civil District of Wilson County, Tennessee, bound and described as follows, to-wit:

Located on the westerly side of Beckwith Road, being more particularly described as follows:

Beginning on a corner post, the same being the westerly margin of Beckwith Road, and in the southerly margin of Interstate 40 right of way thence south 5 degrees 51 minutes west 797.9 feet with the westerly margin of Beckwith Road to a post; thence north 84 degrees 50 minutes west 2002.2 feet to a point in the center of a branch; thence continuing with the center of the branch as follows: North 46 degrees 50 minutes east 62.8 feet; north 14 degrees 13 minutes east 105.0 feet; north 24 degrees 0 minutes west 79.2 feet to a point in the southerly margin of Interstate 40 right of way; thence running with Interstate 40 right of way north 79 degrees 0 minutes east 2076.1 feet to the point of beginning, containing 23.08 acres, more or less, according to survey of J.R. Butler, Surveyor, dated April 18, 1964, the same being bounded generally as follows: North by Interstate Highway 40; east by Beckwith Road; south by Charlie Cole; west by T.L. Vaughn.

August 28, 2015 4:18 pm

Being the same property conveyed to Kenneth Hawkins, a ½ undivided interest and B & B Enterprises of Wilson County, L.L.C., a ½ undivided interest by quitclaim deed from B & H Rentals, LLC, dated August 25½, 2008, and of record in Book 1320, Page 1725, with further reference in Deed Book 453, page 62, Register's Office for Wilson County, Tennessee.

This description is the same as in the prior deed.

This is not the principal residence of the Grantor.

THIS IS <u>IMPROVED</u> PROPERTY which has the address of <u>4982</u> <u>BECKWITH ROAD, MT. JULIET, TN 37122</u>.

TO HAVE AND TO HOLD said property, together with any and all appurtenances and improvements thereunto, belonging to the said Grantee, successors and assigns, in fee simple, forever.

GRANTOR covenants with said Grantee that Grantor is lawfully seized and possessed of said property; that Grantor has a good and lawful right to make this conveyance; that the same is free, clear and unencumbered, except as noted herein; and Grantor will forever warrant and defend the title thereto against the lawful claims of all persons whomsoever.

THIS CONVEYANCE is made subject to all visible easements, rights-of-way and matters shown on the plat of record at Plat Book <u>25</u>, Page <u>280</u>, and Plat Book <u>21</u>, Page <u>754</u>, and any and all restrictions, existing roadways, easements and rights-of-way of record.

POSSESSION shall be given date of deed.

PROPERTY TAXES for the current year shall be prorated as of date of deed.

WITNESS OUR SIGNATURE hereto this ______ day of August, 2008.

KENNETH HAWKINS

August 28, 2015 4:18 pm

STATE OF TENNESSEE

COUNTY OF WILSON

Personally appeared before me, the undersigned, a notary public in and for the state and county aforesaid, KENNETH HAWKINS, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that they executed the within instrument for the purposes therein contained.

| WITNESS my hand and official seal at office this_ | day of August, 2008. |
|---|----------------------|
| | Design Brown |
| | ONOTARE PUBLIC |
| My commission expires: 7-27-09 | TENNESSEE E |
| | PUBLIC ON SOMETHING |
| ********** | ******** |

The actual consideration or value, whichever is greater, for this transfer is \$551.518.30.

AFFIANT

Sworn to and subscribed to before me this 25th day of August, 2008.

NOTARY PUBLIC

My commission expires: 03-10-2012

STATE OF TENNESSEE NOTARY PUBLIC PUBLIC

Page Twenty-R August 25, 2015

b. Please indicate if there are any medical underserved areas in the applicant's service area.

Wilson County is still designated as a Medically Underserved Area, as shown on the page attached at the back of this application. But please note that it received this designation in 1978, some 37 years ago, and it has not been updated. That is a difficulty with many MUA designations.

c. Please provide an analysis of all the Wilson County zip codes using the following table:

| Variable | Zip Code 37090 | Zip Code 37122 | Zip Code 37087 | Zip Code 37184 |
|-----------------------------|-------------------|-----------------------|-------------------|-------------------|
| % Applicant's | | | | |
| Patient Origin-Yr. 1 | 6.4% | 55.9% | 17.7% | 1.0% |
| Population, 2015 | 17,164 | 59,007 | 49,134 | 6,028 |
| Population, 2000 | 12,000 | 33,557 | 31,403 | 4,804 |
| Pop. Growth, 2000-2015 | 5,164 (43%) | 25,450 (76%) | 17,731 (57%) | 1, 224 (26%) |
| Square Miles | 162.9 | 112.0 | 166.1 | 117.0 |
| 2015 Pop. Density /Sq. Mile | 105.4 | 526.8 | 295.8 | 51.5 |
| Median Household Income | \$61,265 | \$77,953 | \$54,718 | \$50,665 |
| Median Home Price | \$168,1568 | \$203,038 | \$158,602 | \$119,167 |
| % Population in Poverty | 10.0% | 7.4% | 13.7% | 17.5% |

10. Section C, Need, Item 5.

a. It is noted TriStar operates an urgent care center (CareSpot) at 1705 W. Main Street, #211, Lebanon, TN. Please clarify the reason the applicant chose not to locate an urgent care center at Interstate 40, Exit 229 rather than a satellite ER.

The project's objective is to improve drive time accessibility to acute care emergency care for Summit patients in Summit's primary service areas of Wilson County. It is not to provide an urgent care center, which is a type of facility offering a lower scope of services and less specialized medical personnel, in a less equipped facility that does not provide 24/7 care.

Page Two August 28, 2015

3. Section C, Economic Feasibility, Item 4 (Historical Data Chart and Projected Data Chart)

The applicant was requested to verify the Year 2013 gross operating revenue and total operating expenses totals in the historical data chart for Summit Medical Center. However, the applicant instead provided the Historical Data Chart for the Summit Medical Center Emergency Department (page 56R). Please provide the revised Summit Medical Center historical data chart as replacement page 56.

It is attached following this page, as revised replacement page 56R.

4. Section C, Orderly Development, Item 7.d Please provide a copy of the latest Joint Commission Accreditation survey including any approved plan of action.

The latest survey is provided after the end of this letter. There is no approved plan of action. The awarded three-year accreditation is evidence of compliance. It was provided in the original submission.

<u>Additional Information from Applicant</u>: Attached after the Joint Commission survey is some material further describing EMCARE.

Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please email or telephone me so that we can respond in time to be deemed complete.

Respectfully,

John Wellborn Consultant

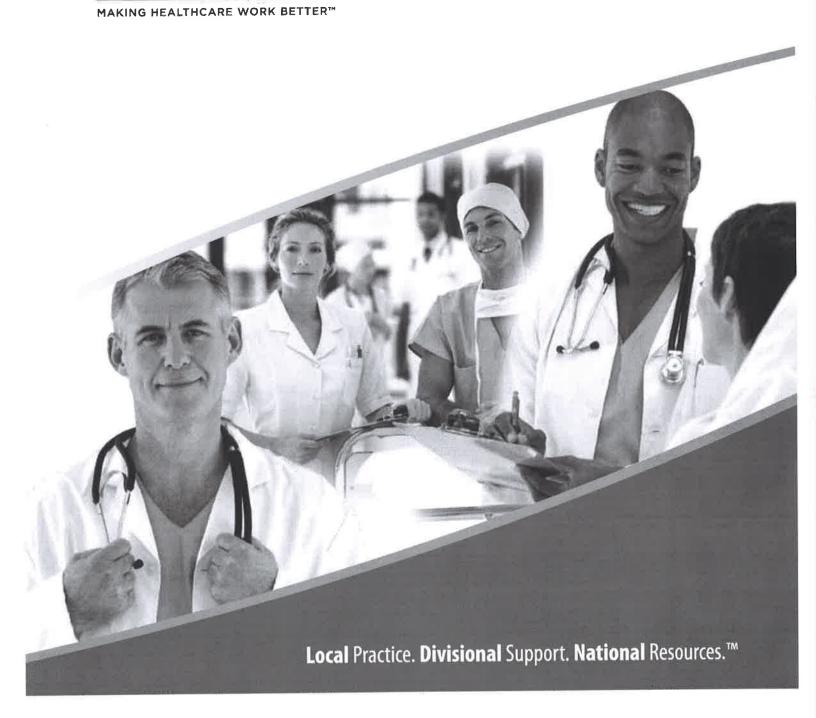
HISTORICAL DATA CHART--SUMMIT MEDICAL CENTER (REVISED ON SUPPLEMENTAL)

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in January.

| i ne ris | cai year begins | in January. | | Year 2012 | | Year 2013 | | Year 2014 |
|----------|-----------------------|----------------------------------|------|--------------|-----|-------------|---------|-------------|
| A. | Utilization Da | ta Admissions | | 10,737 | | 10,598 | | 10,552 |
| , | Other Da | Patient Days | | 42,673 | - | 43,019 | - | 45,024 |
| | | Total Days Including Observation | - | 52,062 | | 53,033 | _ | 55,841 |
| B. | Revenue from | Services to Patients | _ | | - | | | |
| | 1. Inpa | tient Services | \$ | 419,876,431 | _ | 471,116,152 | | 518,651,641 |
| | 2. Out | patient Services | | 277,624,464 | - | 313,817,163 | | 377,285,290 |
| | 3. Eme | rgency Services | | 58,231,463 | | 69,312,426 | | 81,197,259 |
| | 4. Oth | er Operating Revenue | | 3,098,445 | - | 2,291,519 | | 2,416,797 |
| | (Spe | ecify) See notes | | | - | | | 7 |
| | | Gross Operating Revenue | \$ | 758,830,803 | \$_ | 856,537,260 | \$ | 979,550,987 |
| C. | Deductions for | or Operating Revenue | - | == | 55 | | | |
| | 1. Con | tractual Adjustments | \$ | 525,148,823 | - | 615,134,716 | | 693,635,773 |
| | 2. Prov | rision for Charity Care | | 5,390,825 | | 5,797,935 | _ | 7,801,596 |
| | 3. Prov | risions for Bad Debt | | 60,246,469 | | 58,793,735 | | 91,896,230 |
| | | Total Deductions | \$ | 590,786,117 | \$ | 679,726,386 | \$ | 793,333,599 |
| NET O | PERATING REVE | NUE | \$ | 168,044,686 | \$_ | 176,810,874 | \$ | 186,217,388 |
| D. | Operating Exp | penses | - | _ | - | | , ,,=== | |
| | 1. Sala | ries and Wages | \$ | 44,289,349 | | 45,542,436 | | 48,093,791 |
| | 2. Phys | sicians Salaries and Wages | | 0 | | 0 | | 0 |
| | Sup | olies | | 24,856,680 | _ | 27,242,548 | | 28,874,582 |
| | 4. Tax | es | - | 1,339,041 | | 1,304,870 | | 1,303,418 |
| | 5. Dep | reciation | | 7,489,453 | | 7,010,478 | | 7,327,483 |
| | 6. Ren | | | 1,711,583 | | 1,909,577 | | 2,250,982 |
| | 7. Inte | rest, other than Capital | | 249,857 | | 252,138 | | 231,623 |
| | 8. Man | agement Fees | | | | | | |
| | a. F | ees to Affiliates | 11 | 9,701,320 | | 11,618,245 | | 12,167,853 |
| | b. F | ees to Non-Affiliates | N=== | 0 | - 2 | 0 | | 0 |
| | 9. Oth | er Expenses (See notes | W | 60,000,150 | - | 62,218,034 | | 64,953,948 |
| | | Total Operating Expenses | \$ | 149,637,433 | - | 157,098,326 | | 165,203,680 |
| E. | Other Revenu | e (Expenses) Net (Specify) | \$_ | | \$ | | \$_ | 0 |
| NET O | PERATING INCOM | ME (LOSS) | \$ | 18,407,253 | \$ | 19,712,548 | \$ | 21,013,708 |
| F. | Capital Exper | | 10 | | _ | | - | |
| | | rement of Principal | \$_ | | \$_ | | \$ | |
| | 2. Inte | | | | | | | |
| | | Total Capital Expenditures | \$_ | 0 | \$_ | 0 | \$_ | 0 |
| NET O | PERATING INCOM | AE (LOSS) | /\== | | - 5 | | | |
| LESS C | APITAL EXPEND | ITURES | \$_ | 18,407,253 | \$_ | 19,712,548 | \$_ | 21,013,708 |

August 28, 2015 4:18 pm





Emergency Medicine

EmCare Emergency Medicine: Leadership, Metric Improvement, Size, Presence, Stability, Resources and Experience

EmCare understands emergency medicine — it's been our core competency for more than 40 years. This dedication is reflected throughout the organization in its culture of quality and integrity. By continuously responding to the changes in the marketplace, EmCare has helped its clients remain current and competitive.

EmCare has hundreds of emergency medicine practices serving hospitals, hospital systems and other healthcare organizations nationwide. These hospitals, ranging from some of the highest-volume emergency departments to low-volume community facilities, depend on EmCare's physicians and other clinicians to consistently deliver high-quality care.

Whether the client organization is large or small, in a rural or urban environment, a teaching hospital or part of a large system, EmCare can customize a program that provides the right physicians, the right solutions, and the right support to better serve patients and communities.

Because of our expertise and unique approach, there are countless benefits hospitals may realize when working with EmCare Emergency Medicine.

SUPPLEMENTAL #2

August 28, 2015 4:18 pm



REQUEST A PROPOSAL >



REQUEST MORE INFORMATION >



SEARCH FOR CLINICAL JOBS

| INTEGRATED SERVICES | > |
|---------------------------|---|
| EMERGENCY MEDICINE | > |
| HOSPITAL MEDICINE | > |
| ACUTE CARE SURGERY | > |
| ANESTHESIOLOGY | > |
| RADIOLOGY / TELERADIOLOGY | > |



DOWNLOAD BROCHURE >

EmCare Emergency Medicine

August 28, 2015

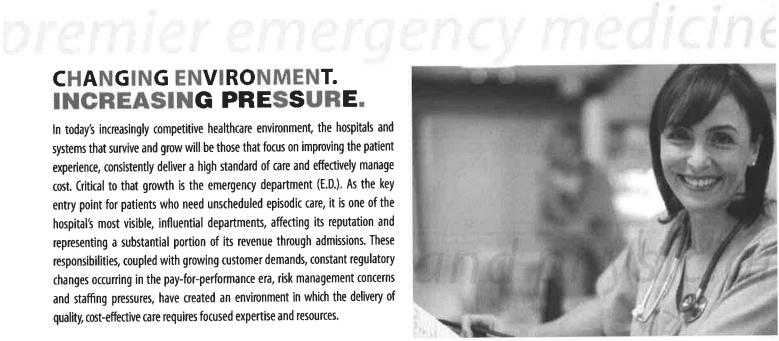
4;18 pm Emergency Medicine. Customer Driven.

CHANGING ENVIRONMENT. INCREASING PRESSURE.

In today's increasingly competitive healthcare environment, the hospitals and systems that survive and grow will be those that focus on improving the patient experience, consistently deliver a high standard of care and effectively manage cost. Critical to that growth is the emergency department (E.D.). As the key entry point for patients who need unscheduled episodic care, it is one of the hospital's most visible, influential departments, affecting its reputation and representing a substantial portion of its revenue through admissions. These responsibilities, coupled with growing customer demands, constant regulatory changes occurring in the pay-for-performance era, risk management concerns and staffing pressures, have created an environment in which the delivery of quality, cost-effective care requires focused expertise and resources.



12 million patient encounters by EmCare-affiliated physicians annually.

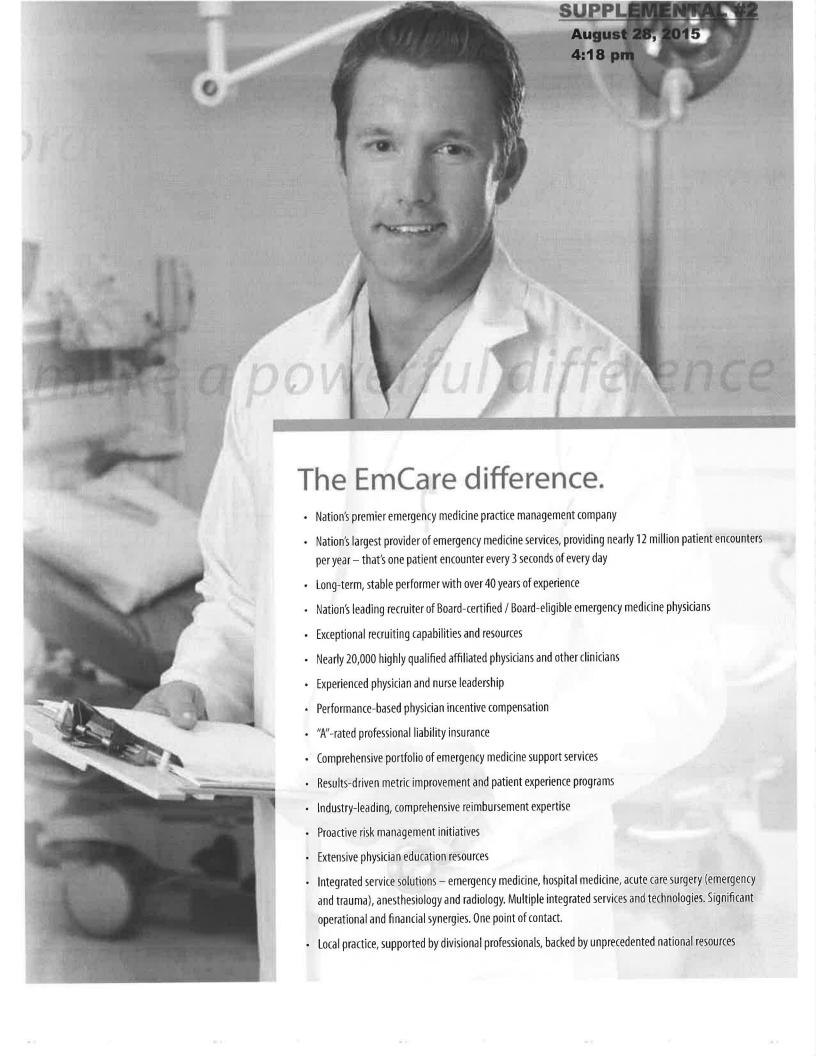


EmCare. A DEPENDABLE PARTNER.

EmCare® understands emergency medicine. For more than 40 years it has been the company's core competency. This dedication is reflected throughout the organization in its culture of quality and integrity.

Every hour of every day, hospitals and physicians make a powerful difference in their patients' lives. Yet increasingly, they find themselves dealing with the challenges of evolving technology, complex management issues and healthcare reform as reimbursement is increasingly tied to results. In the payfor-performance era, hospitals are forced to become progressively better at providing quality care more cost-effectively. EmCare is the partner that can help meet these challenges. By continuously responding to the changes in the marketplace, EmCare has helped its clients remain current and competitive. The partnership is unique in the industry, as is the level of service EmCare provides.

EmCare has nearly 1,000 practices serving hospitals, hospital systems and other healthcare organizations nationwide. These hospitals — ranging from some of the highest-volume emergency departments to low-volume community facilities - depend on EmCare's physicians and advanced practice providers to consistently deliver high-quality care. By attracting the most qualified emergency physicians in the country who are supported by experienced physician leadership, extensive resources and comprehensive quality, metric improvement and patient experience programs, EmCare is able to offer clients an unparalleled partnership in the delivery of a high standard of care.



August 28, 2015

Leadership. Metric improvement. Integrated solutions. Size. Presence. Stability. Resources. Experience.

PHYSICIAN-LED. PATIENT-FOCUSED.

The cornerstone of EmCare's success is the company's commitment to quality physician leadership. This is the backbone of its business. EmCare takes care of its physicians so physicians can take care of patients. EmCare supports hospitals by empowering physicians with comprehensive on-site practice resources: quality management and risk mitigation, online management reports for E.D. Medical Directors, extensive education and customer experience programs. EmCare is an organization committed to and managed by physicians.

The company's physician leadership at the local, divisional and national levels understand the challenges facing both administrators and physicians. To meet those challenges, EmCare offers an array of administrative support services that allow physicians to focus on patients and the delivery of quality clinical care.



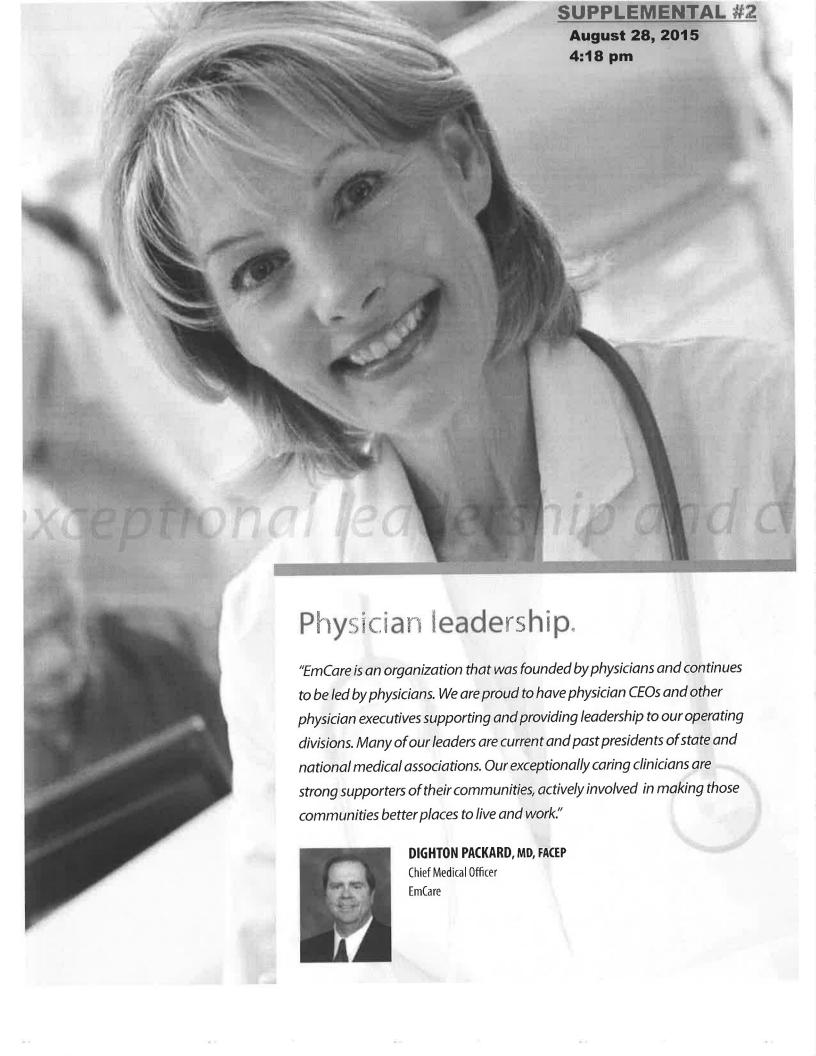
Maintains a strong commitment to leadership.



ON-SITE PRESENCE. IN-DEPTH SUPPORT.

EmCare provides leadership and support where it's needed most: on-site. The company's decentralized management structure enables it to develop a local emergency medicine physician practice for each partner hospital that provides care under the clinical and administrative leadership of an on-site Medical Director. The local physician practice receives the support of a divisional operations team under the leadership of a physician Divisional Chief Executive Officer. Both the local physician team and divisional support team have access to significant national resources ranging from quality management, reimbursement and information technology to physician education and metric improvement programs. These comprehensive national resources allow the local clinical practice and divisional support team to focus on delivering a high standard of care and a superior patient experience. EmCare makes providing high-quality patient care the aim.





August 28, 2015 4:18 pm

EmCare offers superior support programs developed over 40 years.

LOCAL PRACTICE. IMPROVED PERFORMANCE.

EmCare's Emergency Department Medical Directors provide local clinical and administrative leadership and serve as the primary liaisons between hospital administration, the medical staff and EmCare. Dedicated to providing quality clinical care, improving the customer experience and supporting the hospital medical staff, local EmCare Emergency Medicine physicians are an integral part of a hospital's medical team and actively participate in quality management, education, hospital committees and community service programs.

 Emergency Department Medical Director (EDMD) — Through on-site leadership and by example, EmCare's hospital-based EDMDs set standards of performance and professionalism for the medical staff. The EDMD coordinates E.D. operations with the hospital, implements and manages results-driven patient experience and quality management programs, oversees peer review processes, participates in hospital staff committees, assists in program development and coordinates / leads in-service training for physicians, nurses and the E.D. support staff.

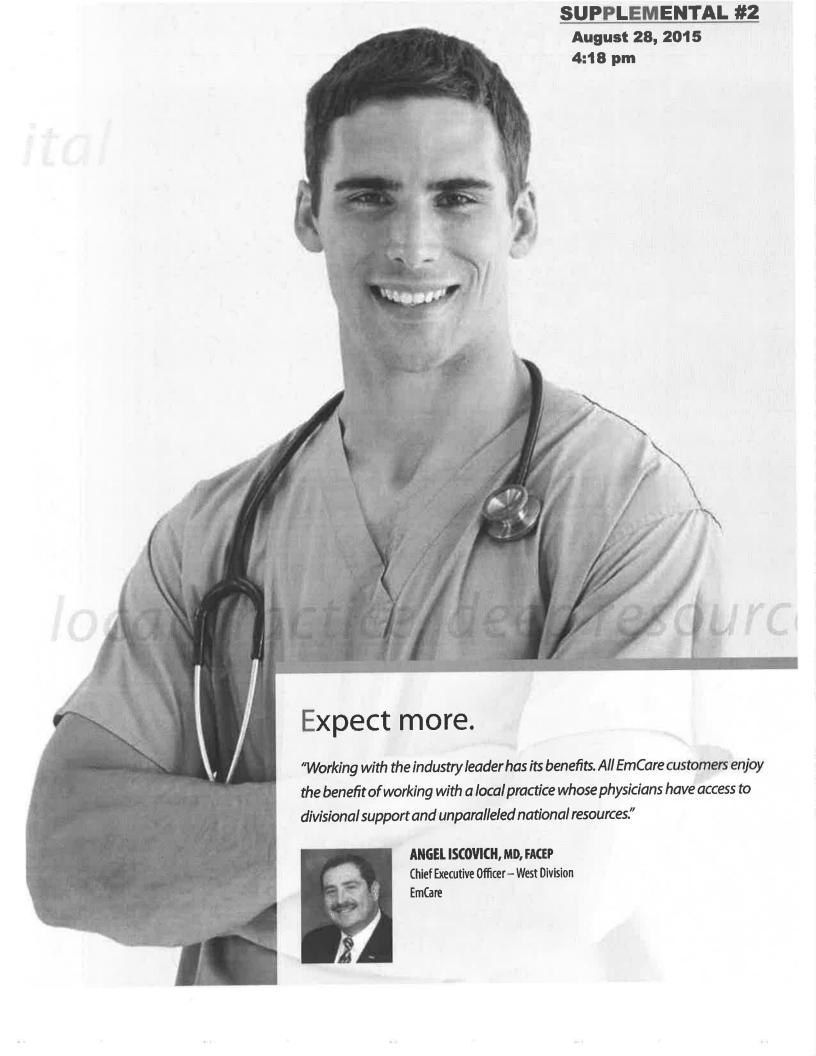


Exceptional leaders, qualified managers and experienced operational personnel.

DIVISIONAL SUPPORT. REAL BENEFITS.

Led by a physician Divisional Chief Executive Officer, each divisional support team is made up of a diverse group of individuals with experience in a wide range of clinical and management disciplines.

- Physician Divisional CEO / Physician Executive Vice President —
 Works with the local EDMD to enhance clinical performance, improve the
 customer experience and ensure clinical integrity.
- Divisional Chief Operating Officer Manages EmCare's operational resources to help the hospital achieve its strategic vision and goals.
- Divisional Client Administrator Is the primary contact with client administration; provides operational and financial oversight / consultation.
- Divisional Director of Clinical Services Provides consultative services
 to site nursing leadership and Medical Directors in relation to regulatory
 requirements, education, staffing patterns, operational support and patient
 experience programs.
- Divisional Operations Director Supports contract requirements and client and physician relations through management of recruiters, credentialers, schedulers, provider enrollment specialists and payroll benefits coordinators.
- Professional Recruiters Identify and recruit quality physician, physician assistant and / or nurse practitioner candidates who meet both the requirements of the hospital and the high standards of EmCare's clinical leadership.
- Credentialing Specialists Review and verify all education, training, licensure and professional history of each physician to ensure strong clinical experience and an ethical, caring approach to patient care.
- Scheduling Coordinators Manage the E.D. schedule with focus on the required hours of coverage in order to ensure reliable and seamless physician coverage 24/7.
- Provider Enrollment Specialists Manage the enrollment process to ensure physicians are eligible to bill for professional fees.
- Payroll Benefits Coordinators Manage payroll to ensure all hours
 of coverage are properly paid. Also manage and support the elections of
 physician benefits.



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EmCare sets the standard in emergency medicine practice management.

NATIONAL RESOURCES. UNPARALLELED EXPERTISE.

EmCare is a nationally recognized company with extensive resources and superior support programs developed over 40 years in partnership with hundreds of hospitals and thousands of physicians. These best practice and quality programs set the standard in emergency medicine across a wide range of disciplines, including:

- Leadership
- Physician recruiting / retention
- Patient experience
- · Quality management
- · Risk management
- Compliance
- Reimbursement
- Physician education
- Revenue growth
- · Integrated solutions

PRACTICE MANAGEMENT. ENHANCED PERFORMANCE.

Physician Recruitment. Increased Retention.

Quality healthcare begins with quality physicians. And finding the right physicians begins with EmCare. As the leading national recruiter of Board-certified / Board eligible emergency medicine physicians, EmCare has unparalleled experience in locating, qualifying, recruiting and retaining exceptional doctors. The company's recruiters familiarize themselves with each client's E.D. and its unique qualities. Recruiters are trained to identify and prescreen all candidates in order to recommend the best physicians for each position. EmCare's intensive prescreening process, widely regarded as the most rigorous in the industry, ensures clients get the right match for their hospitals.

Powerful Tools. Informed Decisions.

EmCare utilizes an impressive array of technology-driven recruitment tools and has real-time access to a database that contains information on all American Medical Association (AMA) member physicians. Detailed contact information including education, training, licensure, certifications and professional history is available at the touch of a button.

EmCare possesses an impressive array of technology-driven recruiting tools.



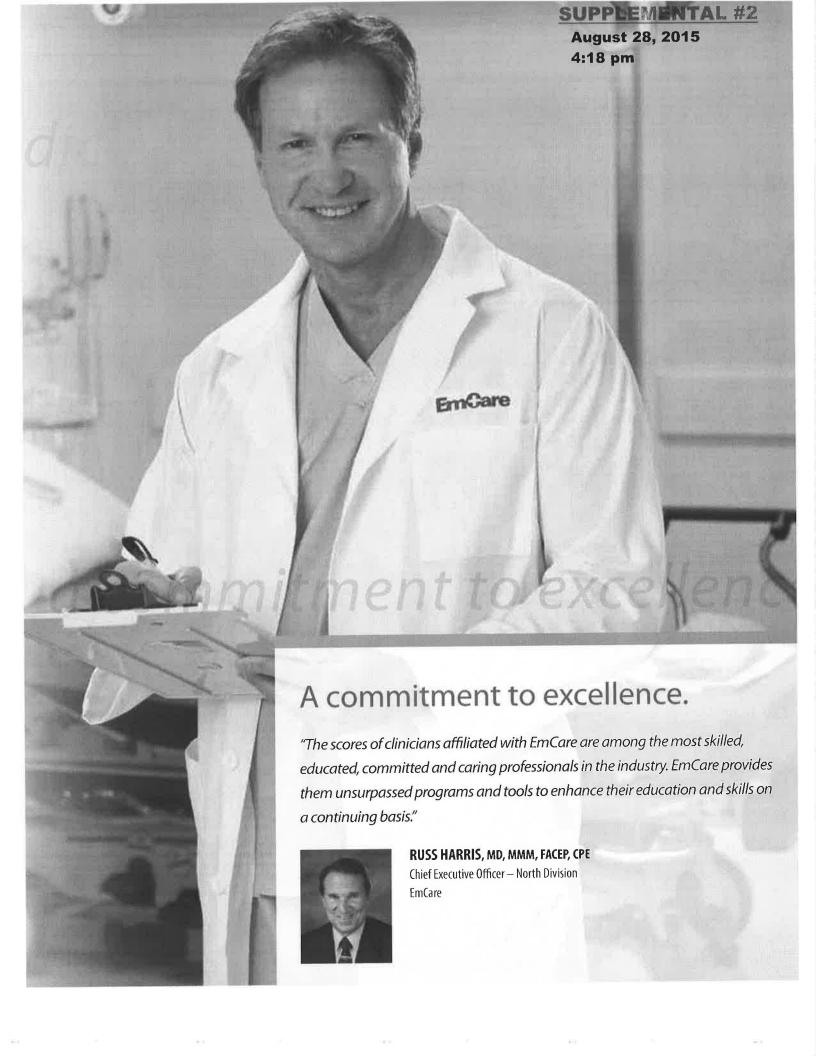
EmCare's applicant tracking system and mapping tools allow the company to pinpoint clinicians by geographic location so that searches can focus efforts in the desired geography. Every potential candidate who meets the hospital's criteria and who can potentially provide coverage is identified. This system allows EmCare to build and maintain a stable local practice. In addition, EmCare recruits nationally, utilizing professional networking, direct mail, trade advertising, the Internet, job fairs, social media and EmCare's Senior Resident Education Program.

EmCare's prescreening process and credentialing package give hospitals a comprehensive overview of each physician candidate. These time-intensive, detailed steps ensure the right match and allow EmCare to maintain industry-leading retention rates.

MANAGING RISK. IMPROVING OUTCOMES.

In an environment in which malpractice claims are increasing both in frequency and severity, EmCare offers a risk management program proactively focused on reduced risk and positive outcomes through increased awareness, education and practical application of diligent patient evaluation and documentation.

Considered the leading program of its kind, EmCare's risk management initiatives are built around its professional liability claims database. This database consists of comprehensive information on malpractice claims dating back more than a decade. EmCare analyzes data to demonstrate claim trends on a national, hospital and physician level, helping to manage and mitigate risk exposure. The company uses the data to support its "A"-rated malpractice program and to assist hospitals and physicians in managing risk and implementing best practices for high-risk procedures. Overall, EmCare's hospital clients, physicians and patients benefit from a higher standard of care and improved outcomes.



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EmCare helps ensure outstanding patient experiences.

CUSTOMER SATISFACTION.

EmCare is well-known for its implementation of results-driven patient satisfaction programs. Programs to improve flow, metrics and the patient experience are the focus.

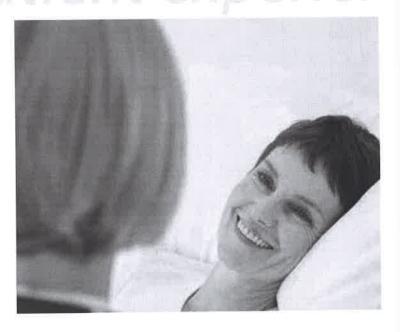
Studer Group® National Partnership.

EmCare has developed an unprecedented strategic national partnership with Studer Group. Under the partnership, all EmCare clients have access to a Studer coach, on-site support, national seminars and a dedicated EmCare / Studer Group website. Through those resources, clients access tools designed to help hardwire the fundamentals of service in healthcare and that are part of a successful formula for improving patient and physician satisfaction. Hospitals that adopt Studer Group tools and practices such as Acknowledge, Introduce, Duration, Explanation and Thank You (AIDET®), rounding and post-discharge follow-up consistently outperform other hospitals nationwide.

Lean E.D.

The lean process helps improve patient flow and the patient experience. EmCare's nurse consultants are lean-certified. Lean Methodology Rapid Cycle Process Improvement helps identify redundancies, poor organization, which data should be collected and analyzed and how rooms and resources should be staged for optimal performance in a healthcare setting. Lean teaches how to use techniques such as value stream mapping, 5S and kaizen events, all of which are focused on identifying and eliminating unnecessary steps and resources. EmCare is a leader in the implementation of lean for healthcare, helping hundreds of hospitals achieve efficiencies and cost savings as a result.

EmCare provides
Studer, lean, patient
experience surveys and
consultative services on
flow management.



Front-End Redesign.

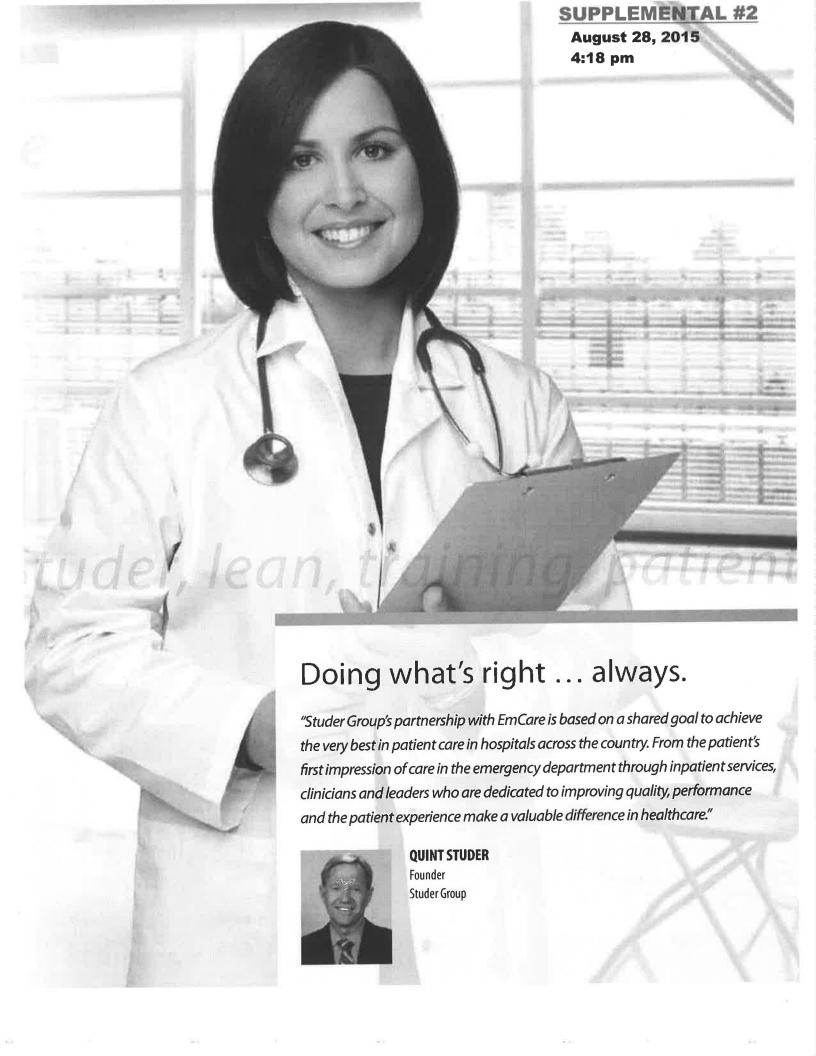
EmCare has developed significant expertise in emergency department front-end redesign for rapid medical evaluation as a means to decrease the time it takes the patient to see the physician, be treated and, ultimately, be discharged. The process can help hospitals optimize quality while improving throughput, thereby reducing wait times and enhancing the patient experience.

Patient Experience Surveys.

EmCare clients are encouraged to administer patient experience surveys; EmCare partners with Qualitick™ for this service. Patients and family members can utilize Qualitick tablet computers to provide immediate feedback about their experience before they leave the hospital. Summary reports about each visit are then transmitted in real time to hospital leadership and service departments for immediate action.

Hospital Staff Training.

EmCare retains a group of experienced former E.D. nurse managers and nursing experts to assist hospital staff with E.D. management and training. These experts are trained in lean, Disney® and Studer Group healthcare patient experience programs. They are available to each client to support and implement satisfaction programs. Their expertise includes accreditation survey preparation and response, regulatory matters, physician and nurse documentation, operational efficiency, programs to improve flow and implementation of patient experience programs.



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EmCare is committed to delivering exceptional clinical quality.

QUALITY MANAGEMENT.

EmCare leaders believe treating the patient right is as important as recruiting the right physicians. That's why EmCare puts a high priority on Continuous Quality Improvement (CQI) programs. EmCare brings its clients a wide array of resources devoted to patient safety, quality improvement and risk management in order to improve patient outcomes and prevent medical errors.

Fail-Safe Approach.

Over the past 40 years, EmCare has developed and follows a fail-safe approach to aid the clinicians and the entire E.D. team in caring for high-risk patients. This approach includes a set of best practice clinical protocols associated with high-risk diagnoses that are used prior to discharge. EmCare-affiliated doctors can follow the protocols as a means to support positive clinical outcomes. Fail-safe pathways taught include abdominal pain, chest pain, sepsis and stroke.

Site Assessment.

Each EmCare client undergoes a site risk assessment prior to start-up as the first step in establishing a quality / risk approach tailored to a hospital's E.D. Following the assessment, areas of opportunity are identified and programs are incorporated into the start-up / transition and on-going operations service plans.

Emergency Department Information Systems.

With numerous clients using emergency department information systems (EDIS) and many using electronic medical records (EMR) for physician documentation, EmCare has experience planning, implementing and working with many different products. This enables the company to provide unique technical expertise to its clients.

Charting Systems.

Patients typically are more satisfied when they have more face time with the physician. Template-based charts, whether paper or electronic, allow for a more interactive experience with patients, as well as easier and more comprehensive documentation at the bedside. EmCare recognizes the importance of electronic prescription writing and discharge systems, which allow the patient to receive legible prescription orders along with detailed discharge instructions. EmCare professionals consult with clients to recommend systems for consideration.

Productivity-Based Physician Compensation.

Based on a Relative Value Unit (RVU) compensation system, this model aligns physician compensation with productivity and complexity of care. This structure gives the physician credit for the work done, while putting a focus on improving patient throughput and the patient experience.



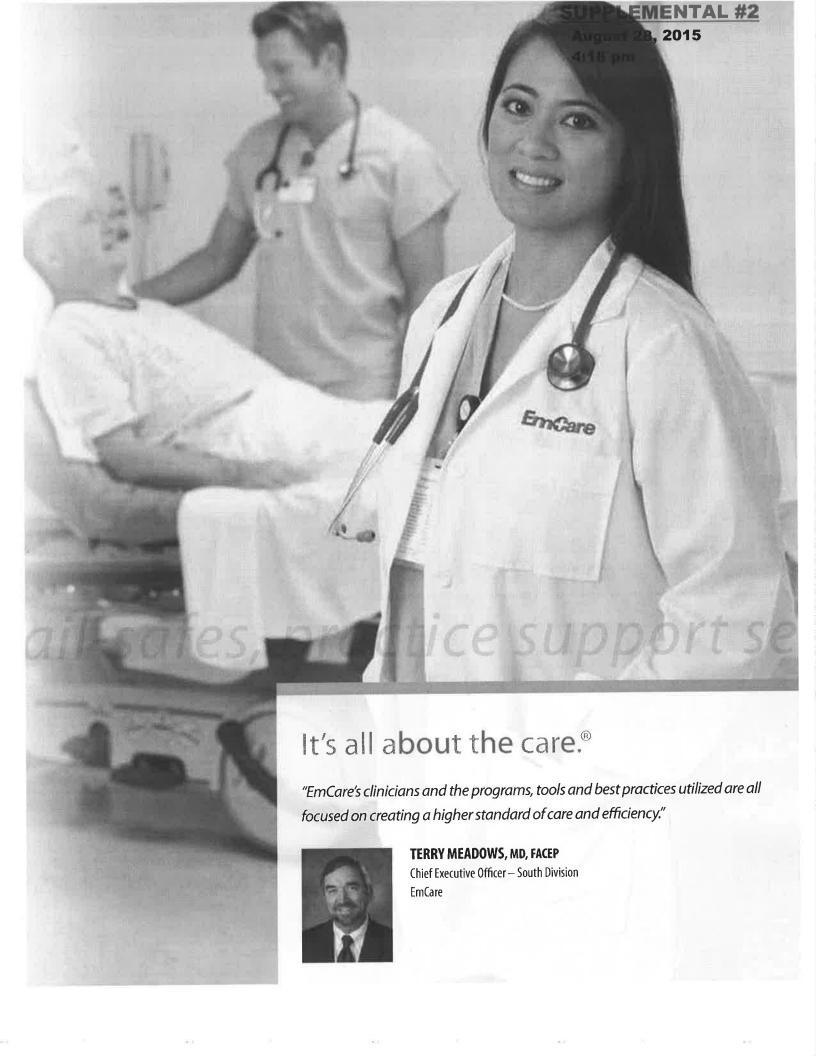
Practice Support Services.

EmCare also offers a range of practice support services designed to further improve customer satisfaction and overall performance, including:

- · Patient fast-track services
- · E.D. observation and critical care units
- Heart and stroke centers
- · After-hours clinics
- · Occupational medicine programs
- Wound care
- · E.D. facility design consultation
- · Pediatric emergency services
- ESI 5 level triage training
- Lean methodology rapid cycle process improvement

CMORx

Software evaluates patient data related to severity and complexity of care. The sophisticated software program identifies previously undocumented secondary diagnoses in order to improve outcomes and maximize appropriate reimbursable charges.



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EmCare offers programs focused on improving care, metrics and the bottom line.

EmCare's DOOR-TO-DISCHARGE™ (D2D)
SERVICE WITH RAPID ADMISSION PROCESS
AND GAP ORDERS™ (RAP&GO™)

EVIDENCE-BASED SOFTWARE.

For those hospitals that contract with EmCare Emergency Medicine for emergency services and EmCare Hospital Medicine for hospitalist services, EmCare's proprietary Door-To-Discharge service with Rapid Admission Process and Gap Orders evidence-based software can reduce the time it takes to admit inpatients from the E.D. to the inpatient floor, opening up beds in the E.D. and potentially producing significant new hospital revenue*. The company's metric improvement programs can impact a hospital's HCAHPS and core measure results. The table below illustrates the financial impact for individual hospitals as well as a five hospital system that may be achieved when contracting with both EmCare for both emergency medicine and hospital medicine services.

EXAMPLE MULTIPLE HOSPITAL ROI WITH EmCare's D2D*

| HOSPITAL | 1-YEAR = 3% PROJECTED E.D. VOL. GROWTH | HOSPITAL MEDICINE ACTUAL SUBSIDY REDUCTION | TOTAL PROJECTED 1-YEAR IMPACT |
|------------------|--|--|-------------------------------------|
| Hospital #1 | \$13,205,654 | \$1,909,000 | ^{\$} 15,114,654 |
| Hospital #2 | \$12,252,382 | \$2,376,000 | ⁵ 14,628,382 |
| Hospital #3 | \$7,258,667 | \$2,093,000 | ^{\$} 9,351,667 |
| Hospital #4 | \$5,289,927 | \$1,050,000 | ⁵ 6,339,927 |
| Hospital #5 | ⁵ 3,987,604 | \$930,000 | ^{\$} 4,917,604 |
| 5 HOSPITAL TOTAL | 141,994,234 | 18,358,000 | 550,352,234 |

REQUEST YOUR FREE ANALYSIS.

EmCare offers a free financial impact analysis that details what can be achieved via D2D with RAP&GO using powerful integration tools. Call 877.416.8079 to request your free analysis.

EmCare can deliver a significant return on investment through integrated services.

EmCare INTEGRATED CLINICAL TECHNOLOGY ... BETTER TOGETHER.

Not only did EmCare pioneer the concept of integration between clinical departments in order to achieve metric improvements, the company also offers a **suite of clinical technologies** that support integration.

Some of those technologies include:

Rapid Admission Process and Gap Orders (RAP&GO)

Proprietary evidence-based software with predefined protocols facilitates improved hand-offs between emergency and hospital medicine physicians for those patients admitted from the E.D. The RAP&GO software and integration process significantly decreases boarding time for patients awaiting disposition in the E.D., opening up significant opportunity for new E.D. volume and metric improvement.

CMORx

Software evaluates patient data related to severity and complexity of care. The sophisticated software program identifies previously undocumented secondary diagnoses in order to improve outcomes and maximize appropriate reimbursable charges.

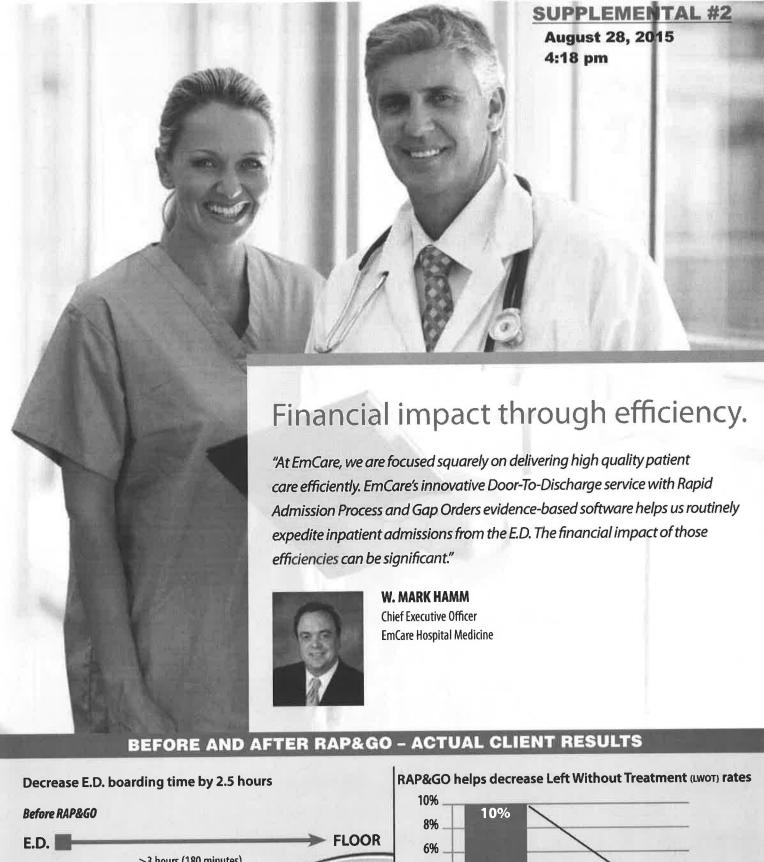
• Direct Admit System for Hospitals (DASH)

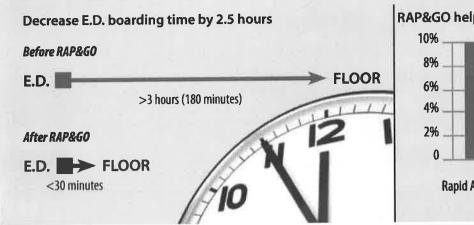
DASH allows community-based primary care physicians, free-standing E.D.s, urgent care centers and outlying hospitals to direct admit patients to EmCare client hospitals and allows those referral sources to track their patients and coordinate their patients' care.

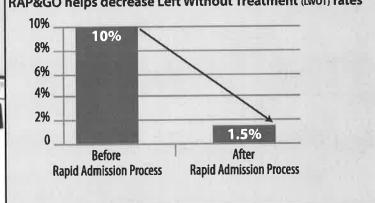
Qualitick™

Qualitick is a real-time touchscreen patient survey tool that uses portable tablets to facilitate immediate and actionable patient feedback to the hospital service departments and leadership. The feedback provided helps improve overall patient satisfaction through timely and proactive response and process improvements which may improve HCAHPS performance and reimbursements.

Potential New Hospital Revenue is representative of a decrease in LWOT/LPMSE rates and/or improved bed availability which in turn contributes to an increase in E.D. volume. An increase in E.D. volume may result in improved revenue for the hospital through charges for the additional patients in the E.D. Historical data suggests that admission rates under the D2D program remain essentially flat compared to the time period immediately prior to implementation of the D2D program. Thus, the additional E.D. volume would result in additional admissions and potential increased revenue for the hospital.







August 28, 2015

EmCare invests millions each year in physician leadership, management and clinical education.

LEADERSHIP INSTITUTE: NATIONAL RECOGNITION.

EmCare places a high premium on the professional and clinical development of its affiliated physicians and other clinicians. Through the EmCare Leadership Institute, EmCare offers four types of training and development programs: (1) EmCare's National Leadership Conference focuses on the development of leadership skills, (2) EmCare's National Physician Leadership Program focuses on management training for physician executives, (3) EmCare's Divisional Leadership Labs focus on the development of management skills, and (4) EmCare's Compliance / Risk Education programs focus on the development of high standards of clinical care. EmCare also provides client and non-client development programs.

EmCare's National Leadership Conference — This conference is the only program of its type offered in the United States and is the largest annual gathering of emergency medicine leaders in the nation. The three-day program is focused on leadership development and is attended by EmCare's Medical Directors and nurse executives, and client nurse managers. Industry-leading speakers are featured.

EmCare's National Physician Leadership Program — This program provides executive-level training and development opportunities to EmCare's clinical leadership team members. Program content includes:

- Leadership
- · Team engagement and mentoring
- Hardwiring flow everyone deserves a department that works
- · EmCare's lean approach to improving care
- Survival skills, the "A" Team and attaining service excellence
- Physician accountability: how to get the most from your team
- · The C-suite / administrator perspective and insights
- Recruiting for long-term success

Divisional Leadership Labs – EmCare offers affiliated physicians opportunities to hone their leadership and management skills through participation in the company's Divisional Leadership Labs. Among the programs presented are:

- · Effective E.D. management
- · Physician management / support programs
- · Quality management initiatives
- Patient experience programs the difference (Studer Group, lean)
- · Peer review
- C-suite communication
- · New Site Medical Director orientation



Compliance / **Risk Education** — The focus is on the development of a high standard of clinical care. EmCare's web-based training system is an open learning curriculum that supports convenient training for physicians. To meet regulatory requirements, mitigate risk and support better patient outcomes, EmCare requires its providers to complete annual continuing medical education on the following topics:

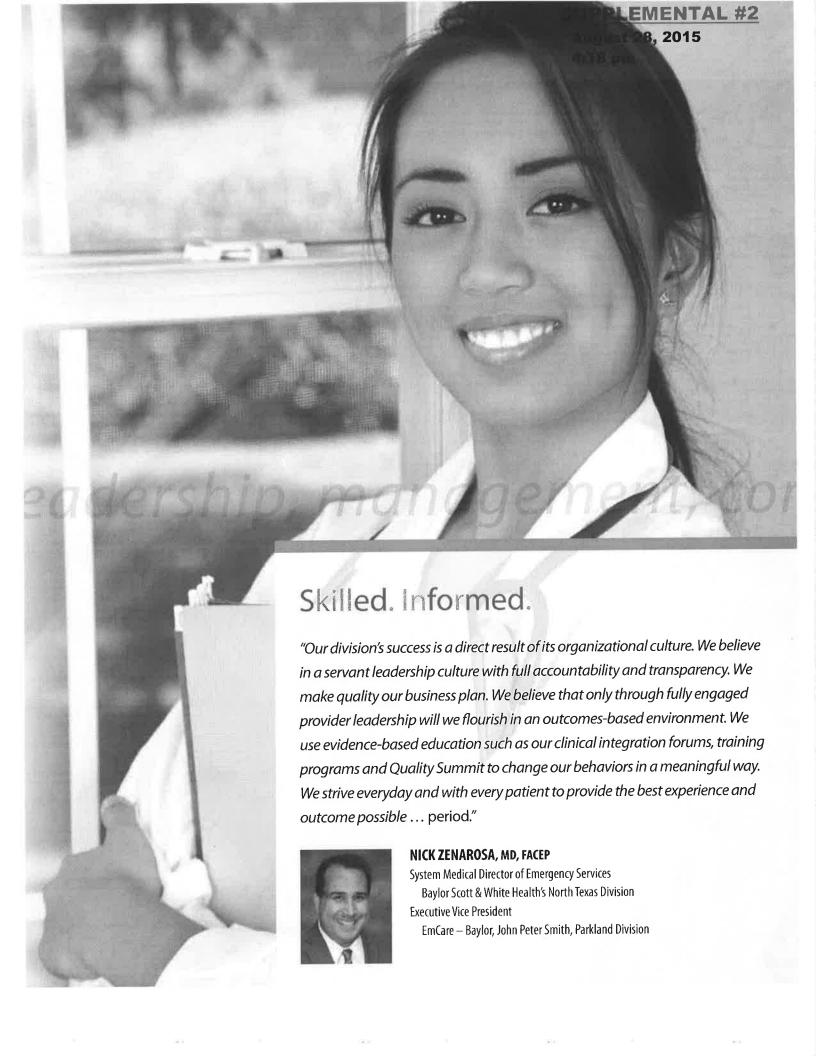
- HIPAA
- EMTALA
- Risk management
- Documentation
- OSHA
- CMS compliance

- Fail-safe pathways
 - Abdominal pain
 - Chest pain
 - Sepsis
 - Stroke
- T-system

Client Training — EmCare provides on-site education and / or web-based training programs for hospital clients on current relevant subjects, including:

- Studer Group tools and processes
 - AIDET
 - Rounding
 - Post-discharge follow-up
- Core measures
- The Joint Commission

- Regulatory
- Metrics improvement
 - Lean improving patient flow
 - HCAHPS
 - Patient experience



August 28, 2015

Helping hospitals gain more, retain more.

COMPREHENSIVE BILLING. RELIABLE REIMBURSEMENT.

At EmCare, even patient billing is focused on customer satisfaction, because the best emergency department experience can be negated by an improperly managed billing and collection effort. That's why EmCare utilizes Reimbursement Technologies, Inc. (RTI), the nation's leading emergency medicine billing service and a wholly owned subsidiary of EmCare. Over 1,000 specialists are dedicated to professional fee coding and billing, as well as facility coding services covering over 12 million patient encounters annually. RTI provides the most comprehensive, detailed site reports to support management of critical criteria, including:

- · Operational efficiencies
- · Physician incentive compensation
- · Physician productivity

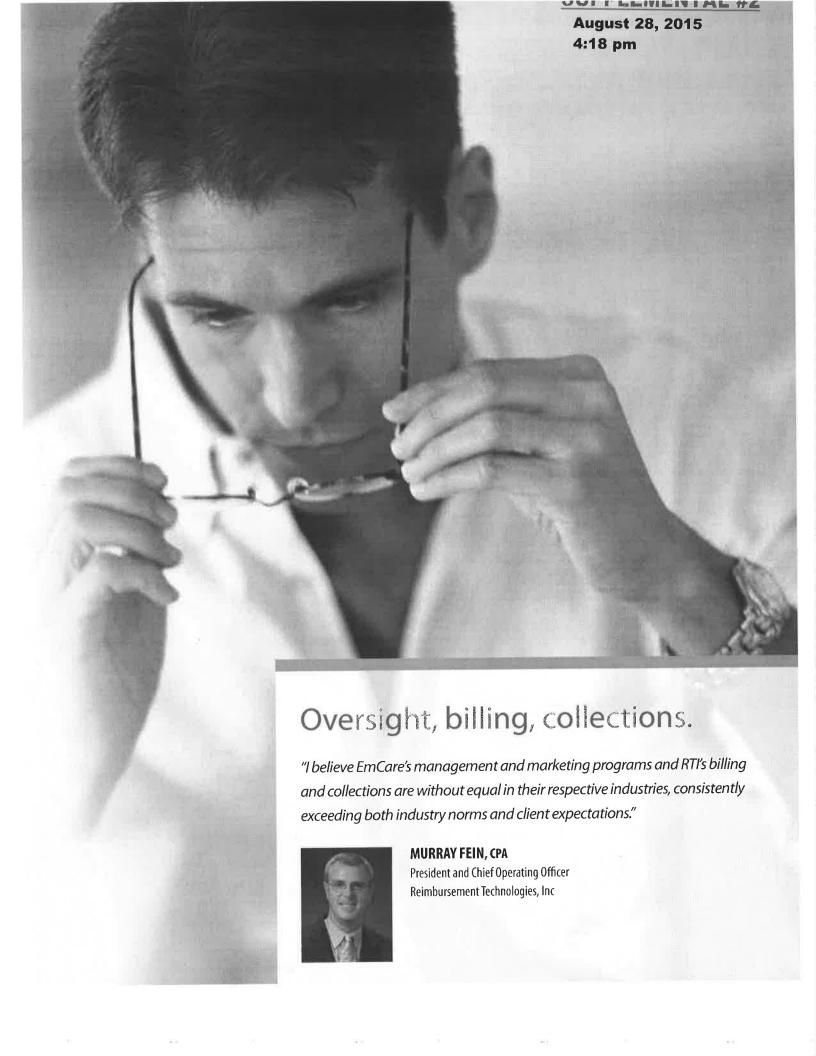
RTI experts provide on-site documentation and coding training to assure compliant coding and revenue capture. In addition, RTI's dedicated Compliance and Regulatory Affairs department ensures all aspects of its business are up-to-date and adhere to state and federal laws and CMS guidelines. EmCare and RTI's experience provides negotiating strength and a level of resources and competency unsurpassed in the emergency medicine industry.



MARKETING SUPPORT. COMMUNITY AWARENESS.

As part of EmCare's strategic partnership approach, clients are offered a number of highly effective marketing programs to assist the hospital in gaining market share. The programs are designed to achieve high impact at low cost in building community awareness. The selection includes prewritten radio public service announcements, newspaper health columns, direct mail promotions and billboard campaigns. Additionally, EmCare provides step-by-step guides for media relations, health fairs, E.D. grand openings, building Emergency Medical Services (EMS) relations, promoting physicians, developing Internet advertising, social marketing strategies and news releases.





August 28, 2015 4:18 pm



Official Accreditation Report

TriStar Summit Medical Center 5655 Frist Boulevard Hermitage, TN 37076

Organization Identification Number: 7806

Evidence of Standards Compliance (45 Day) Submitted: 7/10/2015

The Joint Commission

SUPPLEMENTAL #2

August 28, 2015 4:18 pm

Executive Summary

Program(s)
Hospital Accreditation

Submit Date 7/10/2015

Hospital Accreditation:

As a result of the accreditation activity conducted on the above date(s), there were no Requirements for Improvement identified.

You will have follow-up in the area(s) indicated below:

 Measure of Success (MOS) – A follow-up Measure of Success will occur in four (4) months.

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

Requirements for Improvement – Summary

| Program | Standard | Level of Compliance |
|---------|-------------|---------------------|
| HAP | EC.02.03.01 | Compliant |
| HAP | EC.02.05.01 | Compliant |
| HAP | IC.02.02.01 | Compliant |
| HAP | MM.05.01.01 | Compliant |
| HAP | PC.02.01.03 | Compliant |
| HAP | PC.02.01.11 | Compliant |
| HAP | PC.02.02.03 | Compliant |

The Joint Commission **Summary of CMS Findings**

SUPPLEMENTAL #2

August 28, 2015 4:18 pm

CoP:

§482.24

Tag: A-0431

Deficiency: Compliant

Corresponds to: HAP

Text:

§482.24 Condition of Participation: Medical Record Services

The hospital must have a medical record service that has administrative responsibility for medical records. A medical record must be maintained for every individual evaluated

or treated in the hospital.

| CoP Standard | Tag | Corresponds to | Deficiency |
|---------------|--------|-----------------------|------------|
| §482.24(c)(2) | A-0450 | HAP - PC.02.01.03/EP1 | Compliant |

CoP:

§482.41

Tag: A-0700

Deficiency: Compliant

Corresponds to: HAP

Text:

§482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital

services appropriate to the needs of the community.

| CoP Standard | Tag | Corresponds to | Deficiency |
|--------------|--------|-----------------------|------------|
| §482.41(b) | A-0709 | HAP - EC.02.03.01/EP1 | Compliant |

CoP:

§482.42

Tag: A-0747

Deficiency: Compliant

Corresponds to: HAP - EC.02.05.01/EP15

Text:

§482.42 Condition of Participation: Infection Control

The hospital must provide a sanitary environment to avoid sources and transmission of infections and communicable diseases. There must be an active program for the prevention, control, and investigation of infections and communicable diseases.

CoP:

§482.51

Tag: A-0940

Deficiency: Compliant

Corresponds to: HAP

Text:

§482.51 Condition of Participation: Surgical Services

If the hospital provides surgical services, the services must be well organized and provided in accordance with acceptable standards of practice. If outpatient surgical services are offered the services must be consistent in quality with inpatient care in

accordance with the complexity of services offered.

| CoP Standard Tag | | Corresponds to | Deficiency |
|------------------|--------|-----------------------|------------|
| §482.51(b) | A-0951 | HAP - IC.02.02.01/EP2 | Compliant |

The Joint Commission

SUPPLEMENTAL #2

August 28, 2015 4:18 pm

Organization Identification Number: 7806

.

Page 5 of 5



Official Accreditation Report

TriStar Summit Medical Center 5655 Frist Boulevard Hermitage, TN 37076

Organization Identification Number: 7806

Evidence of Standards Compliance (60 Day) Submitted: 8/7/2015

The Joint Commission

SUPPLEMENTAL #2

August 28, 2015 4:18 pm

Executive Summary

Program(s)
Hospital Accreditation

Submit Date 8/7/2015

Hospital Accreditation:

As a result of the accreditation activity conducted on the above date(s), there were no Requirements for Improvement identified.

You will have follow-up in the area(s) indicated below:

 Measure of Success (MOS) – A follow-up Measure of Success will occur in four (4) months.

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.



Requirements for Improvement – Summary

| Program | Standard | Level of Compliance |
|---------|--------------|---------------------|
| HAP | EC.02.02.01 | Compliant |
| HAP | EC.02.03.05 | Compliant |
| HAP | EC.02.05.09 | Compliant |
| HAP | EC.02.06.01 | Compliant |
| HAP | IC.02.01.01 | Compliant |
| HAP | LD.04.01.07 | Compliant |
| HAP | L\$.02.01.30 | Compliant |
| HAP | PC.01.02.03 | Compliant |
| HAP | PC.01.03.01 | Compliant |
| HAP | RC.01.01.01 | Compliant |

The Joint Commission **Summary of CMS Findings**

SUPPLEMENTAL #2

August 28, 2015 4:18 pm

CoP:

§482.23

Tag: A-0385

Deficiency: Compliant

Corresponds to: HAP

Text:

§482.23 Condition of Participation: Nursing Services

The hospital must have an organized nursing service that provides 24-hour nursing services. The nursing services must be furnished or supervised by a registered nurse.

| CoP Standard | Tag | Corresponds to | Deficiency |
|---------------|--------|------------------------|------------|
| §482.23(b)(4) | A-0396 | HAP - PC.01.03.01/EP23 | Compliant |

CoP:

\$482.24

Tag: A-0431

Deficiency: Compliant

Corresponds to: HAP

Text:

§482.24 Condition of Participation: Medical Record Services

The hospital must have a medical record service that has administrative responsibility for medical records. A medical record must be maintained for every individual evaluated

or treated in the hospital.

| CoP Standard | Tag | Corresponds to | Deficiency |
|---------------|--------|------------------------|------------|
| §482.24(c)(1) | A-0450 | HAP - RC.01.01.01/EP19 | Compliant |

CoP:

§482.26

Tag: A-0528

Deficiency: Compliant

Corresponds to: HAP

Text:

§482.26 Condition of Participation; Radiologic Services

The hospital must maintain, or have available, diagnostic radiologic services. If therapeutic services are also provided, they, as well as the diagnostic services, must meet professionally approved standards for safety and personnel qualifications.

| CoP Standard | Tag | Corresponds to | Deficiency |
|--------------|--------|-----------------------|------------|
| §482.26(b) | A-0535 | HAP - LD.04.01.07/EP2 | Compliant |

CoP:

§482.41

Tag: A-0700

Deficiency: Compliant

Corresponds to: HAP

Text:

§482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital

services appropriate to the needs of the community.

The Joint Commission Summary of CMS Findings

SUPPLEMENTAL #2

August 28, 2015 4:18 pm

| CoP Standard | Tag | Corresponds to | Deficiency |
|------------------|--------|--|------------|
| §482.41(a) | A-0701 | HAP - EC.02.02.01/EP5, EC.02.06.01/EP1 | Compliant |
| §482.41(c)(2) | A-0724 | HAP - EC.02.03.05/EP13, EC.02.05.09/EP3 | Compliant |
| §482.41(b)(1)(i) | A-0710 | HAP - LS.02.01.30/EP7, EP23 | Compliant |
| §482.41(c)(4) | A-0726 | HAP - EC.02.06.01/EP13 | Compliant |

CoP:

§482.42

Tag: A-0747

Deficiency: Compliant

Corresponds to: HAP - IC.02.01.01/EP1

Text:

§482.42 Condition of Participation: Infection Control

The hospital must provide a sanitary environment to avoid sources and transmission of infections and communicable diseases. There must be an active program for the prevention, control, and investigation of infections and communicable diseases.

CoP:

§482.51

Tag: A-0940

Deficiency: Compliant

Corresponds to: HAP

Text:

§482,51 Condition of Participation: Surgical Services

If the hospital provides surgical services, the services must be well organized and provided in accordance with acceptable standards of practice. If outpatient surgical services are offered the services must be consistent in quality with inpatient care in accordance with the complexity of services offered.

| CoP Standard | Tag | Corresponds to | Deficiency |
|-------------------|--------|-----------------------|------------|
| §482.51(b)(1)(ii) | A-0952 | HAP - PC.01.02.03/EP5 | Compliant |

CoP:

§482.57

Tag: A-1151

Deficiency: Compliant

Corresponds to: HAP

Text:

§482.57 Condition of Participation: Respiratory Care Services

The hospital must meet the needs of the patients in accordance with acceptable standards of practice. The following requirements apply if the hospital provides respiratory care services.

| CoP Standard | Tag | Corresponds to | Deficiency |
|--------------|--------|-----------------------|------------|
| §482.57(b) | A-1160 | HAP - LD.04.01.07/EP2 | Compliant |

The Joint Commission

SUPPLEMENTAL #2

August 28, 2015 4:18 pm

Organization Identification Number: 7806

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AFFIDAVIT

STATE OF TENNESSEE
COUNTY OF DAVIDSON

NAME OF FACILITY:

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the lawful agent of the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete to the best of my knowledge.

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Signature/Title CONSULTANT

Sworn to and subscribed before me, a Notary Public, this the 18th day of 15th day of 15th witness my hand at office in the County of DAVIDSON, State of Tennessee.

NOTARY PUBLIC

My commission expires

,2018

HF-0043

Revised 7/02